

BULLETIN

OF THE

NATIONAL ASSOCIATION OF CREDIT MEN.

PUBLISHED MONTHLY BY

CHAS. E. MEEK, SECRETARY-TREASURER,
41 Park Row, New York.

Entered as second class matter March 11, 1905, at the Post Office at New York, N. Y., under the Act of Congress of March 3, 1879.

Copyright, 1911, by Chas. E. Meek, Secretary-Treasurer.

Permission to use articles appearing in the MONTHLY BULLETIN of the National Association of Credit Men is cheerfully granted. It is requested that credit be given the MONTHLY BULLETIN when making use of any of its matter.

VOL. XI }
No. 3 }

NEW YORK, MARCH 15, 1911.

{ SUBSCRIPTION
50c PER ANNUM

CONTENTS

| | PAGE |
|--|------|
| New Members Reported During February..... | 146 |
| Notes | 150 |
| Does the Interchange Bureau Mean Anything in Making for a City's Good Name and for Its Development, by Joseph A. Wright, El Paso, Texas..... | 163 |
| Get Acquainted with Minneapolis, the Next Convention City..... | 165 |
| The Adjustment Bureau of the Denver Association Makes the Seventh Annual Report of Its Stewardship | 166 |
| Collection Hints from Here and There..... | 167 |
| One of the Greatest Fights in Which Credit Men Have Engaged..... | 168 |
| Farmers' Co-operative Mercantile Companies..... | 170 |
| English and American Mercantile Agency Methods, by C. C. Robertson, St. Louis, Mo. | 170 |
| A Good Letter On An Important Subject (Insurance)..... | 173 |
| Credit Men Must Show Their Customers that Insurance Agents are Often Uninformed Regarding the Meaning of Policy Clauses..... | 174 |
| The Credit Man's Standard of Efficiency, by E. W. Storey, Philadelphia, Pa.... | 175 |
| A Few Thoughts in Passing on Collections, by A. M. Meckelnburg, Mishawaka, Ind. | 178 |
| Communities of Interest Among Merchants..... | 179 |
| The Bad Habit of Extending Credits and Terms Beyond Reasonable Limits and Beyond What is Recognized as Standard Practice, by Harry P. Boyd, Gladly Acknowledged That to the Credit Man He Owed His Prosperity..... | 183 |
| F. J. Hopkins, of Minneapolis, on Retailers' Insurance Interest..... | 184 |
| Those Who are Sworn to Administer Properly the Bankruptcy Law often, Perhaps Unintentionally, its Worst Foes..... | 186 |
| Missing Debtor Column | 187 |
| Not the Order, but What's Back of It..... | 187 |
| The Chicago Association of Credit Men Offers Its Assistance to the United States Attorney in Unearthing Fraud..... | 188 |
| Collections and How to Handle Them, by A. W. Morrison, Salt Lake City, Opinions on Points Brought Before the Legal Bureau..... | 190 |
| The One Cent Letter Postage Movement Fostered by Old Organization Credit Men | 195 |
| Association Notes | 197 |
| Baltimore | 197 |
| Boston | 197 |
| Buffalo | 198 |
| Chicago | 198 |
| Cincinnati | 199 |
| Cleveland | 199 |
| Des Moines | 200 |
| Detroit | 200 |
| El Paso | 200 |
| Indianapolis | 201 |
| Lexington | 201 |
| Memphis | 201 |
| Minneapolis | 201 |
| Newark | 202 |
| New York | 203 |
| Wants | 210 |
| Directory of Standing Committees, 1910-1911..... | 212 |

In answering inquiries as to the credit standing of customers it will never hurt and often will help you if you mention the benefits of membership in the National Association of Credit Men. There is no advertising quite so good for the Association. Besides, an Association of nearly fourteen thousand of the leading business houses of the United States is worth talking about in season and out of it.

NEW MEMBERS REPORTED DURING FEBRUARY.

Atlanta, Ga.

Crane Company—J. H. McGinty.
International Harvester Co. of America—M. F. Hollahan.
Ward-Truitt Company—W. A. Ward.

Baltimore, Md.

American Credit Indemnity Co., The—John P. Campbell.
Baltimore Trust Co., The
Crook-Horner Supply Co.—H. A. Booth.
Gamse, H., & Bro.—Benno Gamse.
German American Bank of Baltimore—C. R. Evans, Cashier.
Hopper, Polk & Purnell, Inc.—Daniel W. Hopper, President.
Morgan Millwork Co.—Edgar T. Wagner.
Norris, *R. W., & Sons—Harry O. Norris.
Old Town National Bank—Henry O. Redue.
Perlman, Joseph, & Co.—Joe Perlman.
Pfaff, H. C.
Quast Brothers—F. H. Quast.
Schauman, A., & Co.—Clarence A. Schauman.
Wertheimer Bros.—L. Wertheimer.
Winebrenner, D. C., & Son—Geo. B. McCleery.

Boise, Idaho.

Citizens State Bank.
Schilling, A., & Co.

Boston, Mass.

Bates, A. J., Company—Robert M. Sargent.
Diamond Rubber Co., The—E. C. Andrews.
Gould & Cutler, Corp.—R. I. Cuyler, Assistant Treasurer.
Hamilton-Brown Shoe Co., The—F. T. Knowles, Treasurer.
New England Telephone & Telegraph Co.—F. L. Rawson.
Roberts, F. H., Co., Inc.—C. P. Johnson, Treasurer.
Sammet, G. W., & Son Co.—A. M. Callahan, Treasurer.
Sherwin-Williams Co., The—Harry E. Gerry.

Buffalo, N. Y.

Hercules Waterproof Cement Co.—H. C. Hutchison.

Chicago, Ill.

American Laundry Machinery Co., The—C. F. Noftzger.
B. & A. Machine Works—Oscar Amundsen.
Balkwill & Patch Furn. Co.—John F. Balkwill.
Bartholomæ & Roesing Brwg. & Mltg. Co.—John F. Seitz.
Bickett Coal & Coke Co.—C. Newton.
Breen & Kennedy—J. D. Daly.
Chicago Flexible Shaft Co.—L. H. LaChance.
Chicago, Indianapolis & Louisville Ry. Co.—Byron Cassell.
Chicago Mirror & Art Glass Co.
Chicago & Northwestern Ry. Co.—A. B. Jones.
Chicago Shoe Store Supply Co.—P. W. Peterson.
Coonley Mfg. Co.—Howard Coonley.
Crown Press, The—F. M. Magill.
Curtis & Sanger—John E. May.
Derby Desk Co.—W. K. Artsdale.
Exley, W. L., & Co.—W. L. Exley.
Federal-Huber Co.—A. F. Johnson.
Hamming, R. J.
Hieronimus, Dallwig & Jacobsen—Henry V. Hieronimus.
Holman Soap Co.
Illinois Nail Co., The—J. J. Sherlock.
Jaques Mfg. Co.—Roy G. Elliott.
Keeley Brewing Co.—E. M. Keeley.
Lee & Dulsky—M. A. Lee.
L. M. Stationery Co., The—Conrad Lauteyung.
Long-Critchfield Corporation—M. B. Hart.
Morris Woolen Co.—S. C. Moss.
Neely & Peacock—Fred W. Neely.
Reilly & Britton Co., The—F. K. Reilly.
Shauer, G. G., & Bro.—G. A. Shauer.
Stern, Louis, & Co., Inc.—Lafe Leberberger.
Thorwart & Roehling Co.—H. A. Thoenen.

Cincinnati, Ohio.

Hunt, M. A., Company, The—W. O. Lathrop.

Cleveland, Ohio.

Crawford & Cochran Audit Co.—W. A. Cochran.
Feuerstein & Kopp—Benj. Feuerstein.

Hirt-Watkins Co., The—Howard H. Hopp.

Keetch Knitting Co., The—M. J. Wolfe.
Lucas Machine Tool Co., The—Geo. A. Yost.

Ohio Mattress Co., The—B. M. Wuliger.

Pearl St. Savings & Trust Co.—Henry W. Stecher.

Teachout, A., Co., The—Wm. H. Gillie.
Underwood Typewriter Co., The—W. B. Hillman.

Collinsville, Conn.

Collins Company, The—William Hill, President.

Detroit, Mich.

Baumgartner's Fashion Shop—George H. Mathias.

Detroit Neckwear Co., The—Henry Strauss.

Grainger-Hannan Co.—Wm. R. Grainger.

Hickey, E. J., Co.—J. W. Bolger.

Lemon, D. S., & Co.—Walter J. Graham.
Massnick-Phipps Mfg. Co.—Fred C. Massnick.

Metal Products Co., The—W. V. C. Jackson.

Rose Printing & Mfg. Co.—Max J. Rosenberg.

Wallace, David, & Sons—John E. Rouland.

Weber, H. C., & Co.—Henry C. Weber.
Weisman-Phillips Co.—Louis Weisman.

Dubuque, Iowa.

Jones Bros. Overall Co.—David R. Jones, Jr.

Lantzky-Allen Shoe Co.—C. A. Lantzky.

E. Liverpool, Ohio.

Globe Pottery Co., The—C. H. Bauman.

El Paso, Texas.

Armour & Co.—W. L. Gaines.

Bargman Shirt & Overall Co.—Abe Bargman.

Bassett, O. T., Lumber Co.—R. W. McAfee.

Krupp, Haymon.

Momsen, Gus, & Co.—C. A. Brandberg.
National Telegraphone & Supply Co.—W. B. Glarden.

Nations, J. H., Meat & Supply Co.—O. A. Danielson.

Northern Butter Co.—W. H. Long.

Pass City Electric Co.—W. H. Grandover.

Seeton, O. G., & Son—Bruce Seeton.

Swift & Co.—J. S. Thompson.

Western Coffee Co.—C. S. Nasits.

Fort Dodge, Iowa.

Iowa Paint Manufacturing Co., The—Robt. Paterson, Secretary.

Leighton Supply Co.—E. I. Leighton, Treasurer.

Indianapolis, Ind.

Burdsal, A., Co.

Compeer Cigar Co.—L. M. Crump.

Iowa City, Iowa.

Hummer, Geo., Mercantile Co., The—Geo. Hummer, President.

Kansas City, Mo.

Atlas Oats Co.—C. A. Davis.

Hirsch-Wolff Millinery Co.

Kansas City Electric Light Co.

Levy, H., & Co.

Twenhofel, B. C., Mfg. Co., The—B. C. Twenhofel.

Knoxville, Tenn.

Brown-Ross Shoe Co.—Theo. Brown.

Bondurant, H. C.

Hackney, H. T., Co.—W. F. Robertson.

Little Bros. Co.—N. T. Little.

Sterchi Brothers—Chas. Rutherford.

Lexington, Ky.

Crescent Milling Co.

Crown Jewel Milling Co.

Hackney, H. T., Co., The—J. A. Hackney.

Louisville, Ky.

Forman-Breen Mfg. Co.—Geo. L. Forman.

Grossman-Ades Co.—I. B. Ades.

Keisker, Fred W., & Son—Chas. H. Keisker.

Strassel Gans Paint Co.—J. W. Gans.

Memphis, Tenn.

Bluff City Mfg. Co.—L. I. Crenshaw.

Fox River Butter Co.—C. R. Ryan.

International Harvester Co. of America—C. A. Rush.

McAdoo Ridley Co.—I. M. McAdoo.

Meriden, Conn.

Bradley & Hubbard Mfg. Co., The—W. J. Robinson.

Parker, Chas., Co., The—Jas. R. Sloane.

Milwaukee, Wis.

Graettinger, M. A.

Minneapolis, Minn.

Newell, Geo. R., & Co.—Aug. F. Floerkey.

Montgomery, Ala.

Coca-Cola Bottling Works, The—Thos. L. Hackett, Manager.

Commercial Fertilizer Co., The—Chas. D. Tallman, Sec. and Treas.

Mutual Coffee Co.—S. G. Weil.

New Farley National Bank, The—Louis B. Farley, President.

Muscatine, Iowa.

Van Nostrand Saddlery Co.—C. H. Spaeth, Secretary.

New Britain, Conn.

National Spring Bed Co., The—F. A. Porter, Secretary.

New Haven, Conn.

City Bank of New Haven—T. W. Farnham, President.
National Folding Box & Paper Co., The—D. S. Walton, Jr., Treasurer.
Merchants National Bank—H. V. Whipple.

New York, N. Y.

Blauner Bros. & Co.
Best, Alfred M., Co., Inc.—Alfred M. Best.
Bryant Park Bank—W. W. Warner.
Gallatin National Bank—Elton E. Ogg.
Grace, W. R., & Co.—Christian F. Eck.
Gunst, M. A., & Co.—A. T. Hunter.
Gutman Brothers—Abraham Gutman.
Gutmann, Carl, & Co.—Samuel Leopold.
International Banking Corporation—Lewis J. Sharp.
Jonasson, Jos., & Co.
Kahn & Frank—Jacob Frank.
Klein, Jos., Company, The—Murray Dennison.
Kraft, Philipp K.—Care Hallgarten & Co.
Kreider Baker Shoe Co.—Geo. W. Tranter.
Lissner, H., & Co.—Edward I. Levy.
Majestic Neckwear Co., The—J. Prenowitz.
Markel, Max—Care Fourteenth Street Bank, (East Side Branch).
Muller, Schall & Co.—Wm. H. J. Ehler.
New York Commercial Co.—Arthur Wallace Stedman.
Onoto Pen Company—F. R. Allnutt.
Orr, John C., Co., The—R. S. White.
Oshinsky & Valentine—Joseph Oshinsky.
Rinaldo, B.
Rosenthal & Grotta—J. Grotta.
Ryle, William, & Co.—Thos. D. Van Dusen.
Schafran Brothers—Isidor Schafran.
Shlivek, I., & Sons—Chas. Shlivek.
Zimmermann & Forshay—Leopold F. Hauser.

Norfolk, Va.

Cofer, J. H., & Co.—J. H. Cofer.
Fine, I. S., Corp.—I. S. Fine.
Lewis-Hubbard-Slack Co., Inc.—Jno. D. Lewis.
Norfolk & Southern R. R. Co.—B. L. Bugg.
Robertson, W. W., & Co.—W. W. Robertson.
Sloan, Wm., & Co.—Wm. Sloan.

Oklahoma City, Okla.

Baker-Hanna & Blake Co.—M. B. Blake.

Schmelzer Arms Co.—B. D. Bland.
Stanford Furniture Co.—A. F. Stanford.

Ottumwa, Iowa.

Hall, Walter T., & Co.—Wm. S. Vinson.
Harper & McIntire Co.—Geo. A. Bone.
Haw & Simmons Co.—H. P. Colt, Treasurer.
Merrill, J. H., Co.—John T. Rowe, Secretary.
Morrell, John, & Co.
Tower-Majors Candy Co., The—C. R. Towers, Secretary.

Philadelphia, Pa.

Cressman's, Allen R., Sons—Jas. E. Lynch.
Daggett & Herbert Co., Inc.—W. A. Daggett, Jr.
Hoffman-Corr Mfg. Co.—James E. Bodine.
Mayer, Sig. C., & Co., Inc.—Geo. I. Watson.
Westinghouse Elec. & Mfg. Co.—C. Ross Smith.

Pittsburgh, Pa.

Curley, John B., Co.—John B. Curley.
Dempcy-Degener Co.—R. W. Dempcy.
Duquesne Underwriters, Inc.—Chas. K. Trevoskis.
Home Underwriting Co.—A. N. Hepler.
Kinney & Levan—W. W. Lang.
Little & McClure—James McClure.
May, Edward, & Sons—Harry E. May.
N. Y. Belting & Packing Co.—A. B. Patterson.
Ohio's Iron & Metal Co.—H. H. Stalnaker.
Otis Elevator Company—Wm. A. Covert.
Penn Trouser Co.—M. Oseroff.
Piccardo Macaroni Co.—Frank I. Rutledge, Jr.
Pressed Radiator Co. of America, The—A. W. Pearson.
Ross & Shannon, Inc.—Sherman F. Mason.
Safe Deposit & Trust Co. of Pittsburgh, The—Chas. W. Kiser.
Snyder, Joseph T.—Leonard L. Lysett.
State Mutual Life Assurance Co.—Jesse R. Brown.
United Shirt & Collar Co.—C. A. Harrington.

Richmond, Va.

Anheuser-Busch Brewing Assn.—Joseph Stumpf, Manager.
Haines-Jones & Cadbury Co.—Joseph H. Haines.
Hawes, S. H., & Co.—Horace S. Hawes.
Kastelberg's, R., Sons—C. H. Kastelberg.
Lea, David M., & Co.—S. J. Allen.
Southern Biscuit Works—W. F. Dance.

Rochester, N. Y.

Cross Bros. & Company—F. H. Cross.
Eastwood, William, & Son Co.—
Stephen Forschler.
Rochester Thread Co.—Theodore
Schelling.

St. Louis, Mo.

Denckhoff Mfg. Co.—Herman Denck-
hoff, President.
Eagle Generator Co.—I. B. Kerr.
Erker Bros. Optical Co.
Johnson, J., & Co.—Oscar Johnson.
Koerber-Brenner Music Co.—H. G.
Koerber.
Kreting Grocer Co.—Adolph A.
Mayne.
Linde, R. A., Carpet Co.—Wm. Linde.
Meyer-Strauss & Rauh Garment Co.—
E. E. Richardson.
Standard-Tilton Milling Co.—E. D.
Tilton, Secretary.
Stern & Bernd Hat Co.—Max Stern,
President.
Switzer Yellow Jacket Co.—H. C. Hye.

St. Paul, Minn.

Farmers & Merchants State Bank—
John Q. Mackintosh.
Farwell, Ozmun, Kirk & Co.—R. A.
Knauff.
Republic Rubber Co., The—F. W.
Osmun.

Salt Lake City, Utah.

Columbia Club Cigar Co.—J. H. Sax-
man.
Crescent Cream Company—C. G. Carl-
son, Jr., Sec. and Treas.
Miller-Cahoon Company—H. B. Smith,
Secretary.
Randall-Dodd Auto Company, Ltd.—H.
D. Dove, Vice-President.
Salt Lake Photo Supply Co.—W. F.
Bowerman, Sec. and Treas.

Seattle, Wash.

Eckart Plumbing & Heating Co.—
Claude H. Eckart.
Jamison, E. P., & Co.—J. A. King.

Selma, Ala.

Agee, R. H. & W. C.—R. H. Agee.
American Candy Mfg. Co.—M. M.
Lehman.
Atkins Grocery & Com. Co.—Geo.
Treadwell.

Benish & Meyer—Morris Meyer.
Buckeye Cotton Oil Co.—W. G. Manire.
Callen, Geo. M.
Central Alabama Dry Goods Co.—W.
S. Monk.

City National Bank—A. G. Parrish.
Eliasberg Bros. Mer. Co.—Herman
Eliasberg.

Hooper, C. W., & Co.—J. E. Axford.
Hubbard & Clay Gro. Co.—L. M. Hub-
bard.

Peoples Bank & Trust Co.—C. M.
Howard.

Peoples Cotton Oil Co.—Geo. H. Craig.
Robbins Hardware Co.—Eugene Rob-
bins, Jr.

Schuster, B. J.
Seigle, Seigle & Cothran—Frank N.
Scott.

Selma National Bank—E. C. Melvin.
Southern Notion & Clothing Co.—Leo.
S. Mass.

Tissier Hdwe. Co.—C. G. Tissier.
Waller, N.

Ward, W. L., & Son—W. C. Ward.

S. Norwalk, Conn.

Graham-Ernst Cigar Co., The—C. W.
Lane, Jr.

Syracuse, N. Y.

General Chemical Co.—W. J. Shanahan.
McMillan, J. H., Book Co.
Mack-Miller Candle Co.—Matthew
Murphy.

Roberts Electric & Supply Co., The—C.
E. Heeb, District Manager.

Syracuse Heater Co.—William P.
Muller.

Wyckoff Company, The—A. B. Lang-
don.

Tacoma, Wash.

Michigan Furniture Co.—George S.
Garrett.

Torrington, Conn.

Turner & Seymour Mfg. Co.—E. A.
Merriam.

Waterloo, Iowa.

Smith, Lichty & Hillman Co.—J. A.
Smith.
Waterloo Skirt & Garment Co.—G. N.
See, Treasurer.

Winston-Salem, N. C.

Liipfert-Scales Co.—J. P. Ashby.

"The Adjustment Bureaus of the affiliated branches of the National Association of Credit Men are forces for conserving assets. They do not work miracles as many men appear to think they ought, do not create assets where they are not, but do take assets, hold their value and minimize losses. Besides, they have helped many good men over the rough and stony ways and have started them on a new highway to success."

Members should not forget that the Association has a well equipped bureau to investigate abuses in bankruptcy administration. The comments on conditions in some districts as cited in the February Bulletin have brought out considerable discussion and credit men ought to take heart that a new era may be dawning when cleaner bankruptcy methods will prevail. Where there is so much room for betterment progress will be slow, but if credit men will aid the bureau by calling palpable abuses to its attention, progress can and will be made in righting many existing wrongs.

Notes.

The Chicago Association of Credit Men has selected the Burlington as its official route to the convention.

The state of Alabama has now been added to the bulk sales law column. Information reached the National office just as the BULLETIN went to press.

The Boston Credit Men's Association reports that it has under consideration the establishment of a prosecution fund with which better to wage warfare against the commercial crook.

Alabama now has a banking law befitting the importance of the state commercially. The credit men of Alabama joined with the leaders of the State Banking Association in demanding its enactment.

Secretary Foote, of the St. Louis association, recently addressed a meeting of the St. Louis Sales Managers' Association on "The Relation of the Credit Man to the Sales Manager."

T. L. Dodd, who for many years has been a leading member of the board of directors, of the Chicago Association of Credit Men, has been made secretary of his house, McClernan & Company.

Among the callers at the New York office during the last month were Wade Millis, former president of the Detroit Credit Men's Association, and Alexander Brick, of the Los Angeles association.

The February failures for the United States, as reported by one of the agencies, were 26 per cent. fewer than in January, 1911, while about the same number as February, 1910. Liabilities, however, were 60 per cent. smaller than in January, 1910, and 31 per cent. smaller than in February, 1910.

Since May 1st, the beginning of the fiscal year of the adjustment bureau of the Youngstown Association of Credit Men, the bureau has controlled the settlement of twenty insolvency cases arising in its district with assets of over \$100,000. This includes practically every case arising in the district.

At the annual meeting of the Lexington Association of Credit Men held February 9th, the following officers were elected for the ensuing year: Joseph Le Compte, of Lexington Roller Mills Co., president; B. M. Renick, of Paris Milling Company, vice-president, and C. L. Williamson, secretary and treasurer.

The Norfolk Association of Credit Men with an eye to the development of its city as a commercial center has appointed a committee to

co-operate with other local interests to secure better railway facilities. The committee of credit men consists of H. G. Barbee, S. T. Dickinson, Jr., and J. T. Maddrey.

The several movements to bring all business organizations in our cities under one roof so that they may work more sympathetically in matters of common interest has been previously commented upon by the BULLETIN. Louisville is now at work on such a plan, the idea there, originating with the Transportation Club of Louisville.

At the last meeting of the Boston Credit Men's Association several New England members of the National Association were present, and President Howard in welcoming them announced that the Boston association would be glad to have all New England credit men allied with the National organization on the mailing list of the Boston association.

Upon information furnished by members of the National Association of Credit Men and others, I. J. Allen, of Williamsport, Pa., has been arrested and the grand jury found true bills against him. He stands indicted for false swearing and concealment of assets and will be tried in June.

Scarcely a week goes by in which the Pittsburgh association is not able to announce from one to three new recruits to its Interchange Bureau. It is well worth while to build up the bureau because every concern which not only belongs to the Association but to the Interchange Bureau is made many times more solid for the organization.

From twenty-fourth to ninth place in the roster of local associations from point of view of numbers is a big jump in one year, but the credit men of Boston have accomplished this, through, as their committee says, "concentrated effort." The best part of it all is that Boston is not yet satisfied. It feels that the importance of the city commercially demands a larger organization of its credit grantors.

It is said that the business of "professional receivership" is falling off in the southern district of New York, and men who for years have been assigned to receivership posts are giving way to other appointments, which also means different attorneys to the receivers. All this is expected gradually to have a wholesome effect upon bankruptcy matters in New York.

The Adjustment Bureau of the Pittsburgh association has just reported upon a case in which assets were disposed of and creditors paid in full within six days time. In another case, the assets were disposed of and creditors given a dividend of 50 per cent. in settlement within four days. The start on the road toward depreciation does not progress much in cases handled with such promptitude.

Ira D. Kingsbury, a prominent member of the Rochester Association of Credit Men and credit manager for L. Adler Bros. & Co., made an able address before the January meeting of the Rochester Ad. Club, on "Should the Sales and Advertising Departments be Separate?" Mr. Kingsbury's conclusions were that the two departments each made so great demands upon its manager that each must be separately managed though in earnest co-operation.

Judge Landis, of Chicago, has sentenced Hyman Epstein, an attorney, and L. C. Gold, each to fifteen months imprisonment at Fort Leavenworth, on a charge of perjury and concealing assets in bankruptcy. It appears that shortly before Sophia Gold filed a petition in bankruptcy winding up the affairs of her fur business, her brother, L. C. Gold, took \$4,000 worth of furs to St. Louis, and attorney Epstein is said to have been responsible for bringing them back to Chicago.

A bill which if passed will work hardship on material men has been introduced into the Missouri legislature. It calls for those furnishing materials for building purposes to give notice to the owner and also to the general contractor within thirty-six hours after the material is purchased instead of four months as at present in order to file lien. Such a law, it is felt, will practically nullify the system of mechanics' liens and is naturally opposed by the St. Louis Association of Credit Men.

F. E. Howard, vice-president of the Des Moines Credit Men's Association has been called to Omaha to take the position of credit manager for the wholesale grocery house of Allen Bros. Co. Another change in Des Moines has been in the election of D. M. Douglas, who for several terms was secretary of the Des Moines association, to the office of vice-president of his old house, the Bentley & Olmsted Company.

New Jersey credit men are interesting themselves in the passage of Senate Bill No. 57, introduced by Senator Harry V. Osborne, for punishing the issuing of false statements for the purpose of obtaining credit. This is one of the most important pieces of legislation in which credit men have interested themselves. It is based on a model form drawn up jointly by the American Bankers' Association and the National Association of Credit Men.

The assembly committee on codes of the New York legislature is at work upon a bill to make the holding of a "fake" receivers sale a misdemeanor, the idea being to protect the public which is defrauded by such sale. The bill provides that any person who advertises or holds a sale of goods or merchandise, as a sale by a receiver or what is commonly known as a receiver's sale, wherein no receiver has been appointed by any federal or state court shall be liable to imprisonment.

There is a movement to outlaw by legislation the friction match, the movement having taken hold both in state and national legislation. This match is blamed for the loss of hundreds of lives annually and millions of dollars in property. In several states commissioners of insurance and fire marshals have taken active interest in fostering prohibitive measures and it is probable when the so-called crime of the "friction match" is appreciated, state after state will enact preventive laws.

A member of the Association who has had enough experience to know that *convictions for business fraud can be secured if credit men can be gotten to join hands*, but who finds interested creditors always ready to let the burden fall to the other man on pleas of "It's no use," "It's simply throwing good money after bad," etc., says that if in every issue of the BULLETIN members could offer cases in which they have been interested out of which successful prosecution has come, perhaps some of our weaker credit brethren would have their backbones stiffened.

In order to demonstrate to those Buffalo association members who have not joined the Interchange Bureau that they are losing advantages they can ill afford to lose, the management has arranged to give two weeks of bureau service free of charge to selected houses in special lines. For instance the offer is made to the furniture trade, then to the shoe trade, then to the hardware trade, etc. In this way it is hoped that the bureau will succeed in interesting houses which have been reluctant to look into the facilities of the bureau.

"Some sage has aptly written: 'A credit man should be of an investigating turn of mind, and should have an agreeable yet indomitable obstinacy.' A very happy combination this—and very essential. The investigating turn of mind is indicative of caution, deliberation, vigilance and sagacity, while agreeableness, courtesy and respect are affirmative business building characteristics. Temper these virtues with 'indomitable obstinacy' and you have the positive qualities of a good credit man."—From Kansas City Association Bulletin.

A delegation of Boston credit men headed by President F. L. Howard and Secretary H. A. Whiting, of the Boston Credit Men's Association, attended the opening ceremonies of the new executive building of the George E. Keith Company, of Campello, Massachusetts, January 31st. George E. Leach, credit manager of the Keith company and member of the Boston association's executive committee, looked after the guests, pointing out the splendid equipment and appointments of the new structure.

The Bankruptcy Law Committee of the Boston Credit Men's Association recently made a suggestion to members which in the absence of a regularly organized adjustment bureau ought to be carried out by all associations similarly situated. The plan looks to bringing creditors in bankruptcy cases into harmony of action through the local secretary, each creditor notifying him of any failure in which he may be interested and thus enabling the secretary to bring all creditors together to decide upon a course of action. The plan is earnestly commended to all associations.

Dean Shailer Mathews, of Chicago University, in an address recently made a severe arraignment of the average American parent, who, he said, is responsible for the fact that thrift is all but extinct in American life. He declared that we not only live up to our incomes but we live beyond them. Thrift, he said, may be a "bourgeois" virtue, but we have not yet established a Utopia in which it will be unnecessary for our children to pay their bills. Further, he suggested that children who can wheedle their parents into letting them act foolishly are being educated to bribe legislators into letting them act lawlessly.

The *St. Louis Republic* of February 26th appeared with a full-page account of the crafty merchants of the "feud counties" or "moonshine country" of the mountains of East Kentucky and Tennessee. The *BULLETIN* has often called attention to various names under which orders have been mailed far and wide from this region apparently without the minutest intention of rendering payment. Several of these cases have been taken up by the Post Office Department with the hope that convictions for the use of the United States mails to defraud could be obtained. Members are urged to refer to the National office letters and envelopes having a suspicious look, coming from this region.

"My friends," said Ex-chief of Police William S. Devery, of New York, whose name is pretty familiar all over the country, "you may talk all you like about fair play and a square deal, but when the 'long green' is in sight, let me tell you, friendship ceases." Mr. Devery did not have an extended acquaintance among credit men. If he had he would, we trust, have felt obliged to add a few footnotes to his musings somewhat qualifying his analysis of human nature. Among credit men friendship does not altogether cease when questions of the "long green" come up.

On March 1st the New York Credit Men's Association had on its rolls 1,160 members. As the National Association of Credit Men is the largest business association in the country, its branches in the various cities ought to be the largest business organizations in their respective cities. By virtue of its record no member should have any difficulty in getting into the Association any desirable house he has a mind to ask. One of our great advantages is that we are not only local associations working for the good of our particular region, but a national organization with all the inspiration, power and impetus which the national idea conveys.

It will be noted in the list of "New Members Reported" column that Selma, Ala., is represented by a long list. The fact is that the credit men of that city got together January 30th last and organized the Selma Association of Credit Men. Wm. E. Pitts, president of the Montgomery Association of Credit Men, took an active part in arousing interest in this movement. The officers elected are the following: J. E. Axford, of C. W. Hopper & Co., president; Morris Meyer, of Benish & Meyer, vice-president; F. N. Scott, of Seigle, Seigle & Cothran, secretary, and C. M. Howard, of Peoples' Bank and Trust Co., treasurer. The credit men of Selma are given a hearty welcome into the fraternity of credit men.

It is worth a moment to look at the advantages of the Interchange Bureau as set out by the Boston association after one year's thorough test of its capacity to serve credit men. The advantages of the bureau are, it says, "(1) because of direct inquiry upon those interested, meaning a great saving of time; (2) no compiled reports, all information the latest obtainable; (3) knowledge of the source of your information; (4) the interchange in many lines of trade not necessarily confined to competitors; (5) the fact that you do not give any information without receiving its equivalent in advance; and (6) you are not dependent on the selected references given by the customer, as the bureau gives you all the references on file, and your information will be without color—simply the facts."

The Chicago Clearing House Association has adopted the clearing house certificate plan for settling its balances. The plan involves the rental of a depository for the storage of gold and currency to be deposited by the member banks, and against which clearing house certificates will be issued. These certificates will be payable only to member banks, and will be used only in the settlement of clearing house balances. The plan will be more convenient than the present one, in that it will save the daily transportation of large amounts of gold and currency through the streets from the banks to the clearing house. Nothing more than inconvenience

would be caused by the loss of the clearing house certificates, for they are payable only to the clearing house banks.

W. T. Applewhite, a party whom the Utah Association of Credit Men recently issued a warning against, has just been apprehended at Provo, Utah, charged with obtaining money on false pretenses. According to advices Applewhite seems to have been engaged in doubtful adventures in several cities for the purpose of alluring easy money away from its owners. He is said to have appeared in Salt Lake City where he gave it out that he was president of the "Live Stock Remedy Company" manufacturers of veterinary preparations and that his company purposed starting a \$25,000 manufacturing plant in that city. Members who have any knowledge of the case should send information either to Arthur Parsons, president of the Utah Association of Credit Men, or to the National office.

The Legal Bureau of the Association has been asked what is required of a bank upon receiving paper for collection, especially what is the bank's obligation as to making the collection. The bureau replies that a bank may upon the receipt of such paper—unless it is under contract or some other obligation to collect—return the paper immediately with a statement that it does not desire the business, but it must take this step immediately so that the rights of the sender shall not be affected. The bureau then points out that a bank which retains the paper, thereby becomes the agent of the party sending it and is responsible as agent for all acts of omission or negligence which are detrimental to the interest of the sender of the paper.

What an efficient organization equipped for prompt extinguishment of fire can accomplish in reducing fire losses is shown by the record of the insurance department of the Pennsylvania railroad for 1910. In that period its losses by fire were \$280,097, on a total valuation roughly estimated at \$250,000,000, or on every \$100 of value, a loss of only a shade over 11 cents. Compared with the average loss for every \$100 of risks insured by fire insurance companies as compiled by the National Board, we find 45 cents, or a very notable difference. The Pennsylvania railroad is, in its record, approaching that found in European countries. It presents an encouraging illustration because it shows what can be done where no consideration save that of efficiency is permitted to enter.

The sensational case of the Kornit Manufacturing Company, of Newark, New Jersey, whose operations were brought to a sudden halt in the bankruptcy court several months ago, as cited in the BULLETIN, has taken on a new phase. Edwin G. Adams, referee in bankruptcy, has just rendered a decision requiring Charles E. Ellis and Erwin R. Graves, who effected the incorporation of the company, requiring them to account to the trustees in bankruptcy for \$395,130.77 representing the amount which they obtained from subscribers to stock as well as from other sources. The court also finds that they are liable upon the original subscription to stock of the corporation for the sum of \$273,110. Ellis and Graves were recently convicted in the United States circuit court for fraudulent use of the United States mails, and the judge sentenced them each to three years at Atlanta prison, where they are now serving time.

Walter K. Plumb, whose name is familiar to credit men generally, has just severed his connection with the National Biscuit Company

whose Grand Rapids factories he managed, to become secretary and treasurer of the Fox Typewriter Company, a large Grand Rapids industry. Mr. Plumb goes to his new office with the best wishes of a host of fellow credit men. Especially the members of the Grand Rapids association will wish him well for they all look back with satisfaction to the splendid administration he gave them while president of the association in 1908. The Fox Typewriter Company has made a strong acquisition in Mr. Plumb.

Encouraging signs of activity for increased membership are showing themselves in many parts of the country. The Baltimore association has adopted the slogan, "Watch the Baltimore association grow" and it is growing. Des Moines says its membership can be doubled and it is trying to enliven all members to help to that end. That association is trying to make its meetings so valuable that as its *Bulletin* says, "the problems of our guild will be so ably discussed that credit interests cannot longer remain outside the association's sphere of influence." All the more active local associations have set goals for themselves to be reached by convention time.

At a meeting of the executive committee of the Seattle Association of Credit Men held January 26th, the resignation of J. W. Spangler from the office of president of the association was received. Mr. Spangler resigned purely because of pressure of personal business. His letter is as follows:

"My reasons for resigning are that the increased demands upon me in connection with my every day business renders it impossible for me to give the office the careful attention which it deserves, but, entirely apart from this consideration, I believe the office should rotate, for by so doing you develop latent talent which might otherwise go undiscovered.

"Retiring with a keen interest in the association's affairs, and with every wish to continue my activity I am confident that I can be of as much service to the organization on the floor as I can be in the chair."

Mr. Spangler is succeeded by J. T. Hardeman, who for a long time has been one of the Seattle association's most energetic members. It was Mr. Hardeman who led off in the prosecution of the famous "Samuel D. Gray" case in Washington.

Credit men who have been following the splendid progress of the Norfolk Association of Credit Men will not be surprised to learn that the association has made arrangements to install an adjustment bureau to handle bankrupt and insolvent estates. For some time the matter has been under advisement by the executive committee but it was decided that no steps would be taken until the right man to guide the bureau could be found. This seems to have been accomplished in the selection of G. Sellman Williams, of Norfolk, whose broad experience thoroughly entitles him to that confidence which credit men should place in the one to whom they turn over their accounts. Members of the National Association everywhere should bear in mind that in Norfolk there is now a local adjustment bureau.

A noonday meeting of the Newark association brought out this experience cited by one of the newer members of that organization: A customer in a distant city had owed him \$750 and repeated requests for payment brought only promises. Finally the member, new though he was to Association facilities, bethought himself of the

secretary of the local association in the distant city. He wrote and forthwith the entire bill was paid in full. This member suggests to us an important lesson. When puzzled just how to handle some hard case, have you ever run over in your mind the possible ways your membership in the National Association of Credit Men will help you out? If you do not keep in touch with its work your knowledge of its facilities will be limited, therefore, it pays to have in mind the facilities of the organization. If you do, your ten dollars per year may be made to yield several fold in direct results, results we mean for which you could open an exact ledger account.

As a credit man you are taking opportunity as it presents itself or perhaps better are making opportunities to talk with customers regarding their fire insurance. Now if they are located in unprotected towns the companies very likely have had what is commonly known as the "Iron Safe Clause" attached to their policies. This has a double interest for credit men because they are not only interested in having customers well insured but want them to keep inventories and keep books and this last requirement is implied in the "Iron Safe Clause." The exact title of the clause expresses fully what is intended—"Warranty to keep books and inventories and to produce them in case of loss." The last paragraph of the clause is important: "In the event of a failure to produce such set of books and inventories for the inspection of this company, this policy shall become null and void, and such failure shall constitute perpetual bar to any recovery thereon." How many of your customers are carrying policies with this clause attached and yet are voiding their policies through non-observance of the terms?

One of the first questions a credit man asks in extending credit is: Is the concern incorporated, and if so under what state? All credit men, therefore, will be interested in a bill introduced into the New York legislature recently, through the Merchants' Association of New York, the intent of the proposed law being to make such requirements as to style or title of corporation, hereafter admitted to do business in the state, as shall make it simple to determine whether the concern is doing business as a corporation or as a person, firm or co-partnership. The bill is as follows:

"The People of the State of New York represented in the Senate and Assembly do enact as follows:

"1. Every corporation hereafter organized under the laws of this state shall in its corporate name or title use such word or words, prefix, affix or abbreviation as will clearly indicate that it is a corporation as distinguished from a natural person, a firm or a co-partnership.

"2. Every foreign corporation hereafter admitted to do business in this state shall in its corporate name or title use such word or words, prefix, affix or abbreviation as will clearly indicate that it is a corporation as distinguished from a natural person, a firm or co-partnership.

"3. This act shall take effect January first, One thousand nine hundred and twelve."

A member of the Association located in a town too small for a local association writes: "I have for a long time felt the necessity of some kind of arrangement by which creditors could be brought together in cases of failure in which they are jointly interested so that scattering of claims might be avoided which only affords the dishonest debtor an opportunity to escape with little or no trouble at all. For some time past, whenever

I have been interested in a failure which I had reason to believe was tainted with fraud, or would bear close investigation, before sending such claim to an attorney, I first referred it to the nearest adjustment bureau of the Association to ascertain if it had or was likely to have any part in protecting creditors' interests. While in a few cases this plan worked out satisfactorily in a majority of cases, I received advice from the adjustment bureau that it held no claims." If the rule followed by the member quoted, was followed through the entire membership the efficiency of these adjustment bureaus, their power both to serve creditors and expose fraud would be made infinitely greater. This is a matter which the Association cannot force. It can only hope that members of their own volition may gradually learn to prefer co-operation in insolvencies and bankruptcies as against the impotency of divisions of interest through a lot of attorneys of whose good intent few know and few are able to learn.

Members of the National Association of Credit Men who have had dealings with the Sprague Mercantile Agency, of Chicago, Consolidated Adjustment Co. of Chicago, Barr & Widen Mercantile Agency, St. Louis, Whitney Law Corporation of New Bedford, Mass., National Collection Agency of Washington, D. C., International Law and Collection Agency of Dayton, Ohio, National Credit Exchange, Baltimore, Md.; Colonial Mercantile Agency, St. Louis, Mo., are requested to report the results of the same to the National Office.

Through the clever work of two Cincinnati lawyers, Charles Rosen and Morris Levin have been sentenced to serve eighteen months in the federal prison at Leavenworth, Kansas, convicted of violations of the bankruptcy law. Rosen and Levin were in the jewelry and silverware business at Cincinnati. They went into bankruptcy and both men immediately disappeared leaving only about \$2,500 worth of goods. One of the attorneys, H. D. Bolsinger, trustee for the estate, learned that Mrs. Rosen had gone to California and he and his attorney, S. A. Headley followed. There, in a small town, the attorneys found in a warehouse a lot of goods which had been stored in the name of a thirteen-year-old girl, a niece of Rosen. The stock consisted of cut glass and silverware, which was seized. When brought to trial the bankrupts claimed the goods were wedding presents belonging to Mrs. Rosen, but the jury could not be led to accept this and decided they had been spirited away from the bankrupt's store.

The officers of the Kansas City Association of Credit Men are sounding their membership on the Interchange Bureau question. This bureau system some time ago ceased to be an experiment and it should not be difficult for a good live committee of credit men in any city to make it clear to enough of their fellows that the city's business interests ought to be protected through an Interchange Bureau. As Ex-president James G. Cannon, of the National Association, said in an address delivered over a year ago, speaking of the bureau: "I consider that these bureaus represent the highest type of credit co-operation. In them is brought together the experience of ten or twenty houses with one buyer. There is no color given to the experience, no one's opinion is expressed; the bare facts are all that you deal with. They make the best possible instruments for detecting fraud and point with almost unerring finger to the business

which for one of a dozen or more reasons is sailing dangerous seas. They have developed practical co-operative systems much to the enrichment, stability and general advantage of their members."

An incident which occurred not long ago forcibly illustrates the power of the interchange credit bureau to cut out losses. A North Dakota merchant bought heavily of Twin City jobbers on credit. He was rated by the mercantile agencies as a satisfactory risk. He failed to meet his obligations when due. Further credit was denied him in St. Paul and Minneapolis, his overdue indebtedness at that time being about \$11,000. He went to Chicago, was courteously shown through large establishments, made his selections, was favorably passed upon by the mercantile agencies and returned to his hotel. Forty minutes later he was requested to call at one of the jobbing houses he had patronized. He did so and was informed that no credit could be extended him. A cipher telegram to the Northwestern Jobbers' Bureau of the St. Paul and Minneapolis Associations of Credit Men, with its accurate ledger credit reports of the entire Northwest, killed immediately all chance he had of obtaining merchandise in Chicago. The BULLETIN has often pointed out that the Interchange Bureau is the most scientific basis for determining credit standing in the world. When it is extended to its full possibilities it is going to save the merchants of the country millions of dollars annually.

Secretary Foote, of St. Louis association, tells of a failure in Madrid, Missouri, in which is found an excellent illustration of the efficiency of interchange bureau service. There had been eleven houses, members of the bureau, selling the Madrid party. Because of signs of weakness discovered through the use of the bureau, eight had closed their accounts. Of the other three, one had failed to use the bureau for thirty days (Query—Was he acting squarely toward his house?) another was using the bureau and had placed his account with an adjustment bureau before failure; the third who was caught for the largest amount had failed to inquire on this particular party because he had confidence in what he had elsewhere learned. There were several members of the St. Louis association not members of the interchange bureau who were creditors when the end came. If all had belonged and used their privileges to the full and had been directed by the signs which could have been interpreted in but one way all would have come out unscathed and probably the debtor would not have been able to continue so long to depreciate the assets of his business. One is led to ask whether to blame more the man who, belonging to the bureau, failed to use it or those members who were trying to get on without this almost unfailing credit index.

Several members of the Association have been interested in a bankruptcy case which came up in Louisiana in which a statement of assets and liabilities was presented giving promise of a fairly good dividend settlement. After the case had dragged along for nearly two years a first and final dividend of less than two per cent. was paid much to the chagrin of creditors. The circumstances seemed so noteworthy that the National office was appealed to and a condition of affairs peculiar to Louisiana was revealed that is, probably, not known to many houses granting credit in that state. In brief it appears that the law in Louisiana gives local creditors a lien for that part of the purchase price which is unpaid on stock which has

not been disposed of, or in other words, where a creditor in a bankruptcy case can identify in a bankrupt's stock goods which he shipped and which have not been paid for, he can re-take them. If credit men will refer to Section 64, B5, of the bankruptcy act they will find under priority of debts are "debts owing to any person who by the laws of the state or the United States is entitled to priority." This peculiar lien in Louisiana can best be likened to the mechanics' lien which exists irrespective of legal proceedings and is not to be confused with a lien by legal proceedings. As the Bankruptcy Law Bureau cites in referring to the matter: "This priority does not depend upon resorting to any legal proceedings of any particular kind in the state courts, but it is a privilege granted as a substantive right, in any proceedings, whether the debtor be insolvent or solvent, whether all his assets be impounded, or simply a single creditor be asking the aid of the court against the buyer."

If by dishonest practices a bankrupt lays himself open to a denial of discharge from bankruptcy it hurts business in general if he still gains his discharge. There are scores and hundreds of bankrupts in no sense entitled to a discharge who are free to come and go and acquire estates and why, not because the law is not sound, not by any means wholly because its administration is bad, but because those interested in a case and know the facts make no serious objections to a discharge. The case of Abraham B. Cantor, of Plainfield, New Jersey, is too lonely an exception to the rule. In the investigation of his failure, the Newark association's adjustment bureau ascertained that large quantities of goods had been removed just prior to the filing of petition in bankruptcy and further it was developed that Cantor's financial statements submitted creditors were not in all particulars correct. Therefore when the day fixed for hearing objections to his discharge came around neither the bankrupt nor his attorney appeared and the petition for discharge was dismissed which means that creditors will continue to be at liberty to levy on the bankrupt's assets if he is found to have acquired such. Dishonest practices should disbar petitioning bankrupts from release, and if our adjustment bureaus had no other function to perform they would be doing for the community a healthful service.

It is interesting to look over a partial list of bills now before the Washington state legislature of more or less interest to credit men. It includes:

- A bill relating to compensation of injured workmen, and commonly known as the "Employers' Liability Act."

- A general banking bill.

- A bill pertaining to the making or use of false statements to obtain property on credit, and providing a penalty therefor.

- An amendment to the bulk sales law.

- A bill relating to false statement concerning a bank's condition, and making the same a misdemeanor.

- A bill creating a commission for the purpose of inquiring into the law's delay.

- A bill relating to material men's liens, providing for a single notice to owner of property that material is being furnished, and lien may be claimed to be filed within ten days.

- A bill regulating advertisements and prohibiting false statements as to quality, quantity, etc., "damaged goods," "fire sales," "bankrupt sales," where merchandise is not actually a part of such damaged goods, etc., and defining same as a misdemeanor.

A bill providing for the securing of claims and creating and providing for enforcement of liens for labor and material.

A bill defining "Trust," promoting free competition, etc.

A bill rendering the drawing or uttering of a bank check or draft without credit or funds to meet same upon presentation, a felony, and providing a penalty of not less than one or more than five years imprisonment.

A volume devoted to conditional sales contracts as they may be made under the laws of the various states has recently been published by Haring & Haring, of Buffalo, N. Y. The author who has made a specialty of this form of contract presents in a concise statement its practical uses, the essential differences or features of the law governing conditional sales as in each state and then treats these points:

1. Legal status of conditional contracts of sale,
2. How executed,
3. Acknowledgment or proof,
4. Recording or filing,
5. Recording fee,
6. Re-recording or renewal,
7. Discharge,
8. Landlord's lien,
9. Criminal liability of vendee for disposal of property,
10. Money judgment or replevin,
11. Fixtures,
12. When vendor or vendee loses,
13. General remarks,
14. Forms (acknowledgments, proofs, affidavits, certifications, forms of discharges, etc.)

Summing up, the purpose of the book is to show the variety of uses to which the conditional sales contract may be put in order to safeguard sales which might otherwise be rejected and just what action to take in each state to protect in extending such sales.

A prominent trade paper commenting upon the insistent clamor for lowering the cost of conducting the retail business of the country declares that one of the first things that must be attacked is the expensive and hazardous conduct of the credit department of retail stores. It is eminently impossible, says this periodical, for the retail grocer to continue to do the banking business of the community, without placing a fixed and substantial charge upon the operating expense of his store, which of course must be added to the price of merchandise. Even though every account were gilt-edged, the article goes on to say, and collectible without undue expense in securing payment, the item of interest and loss of discount on purchases becomes an appreciable item, but with a considerable fraction of credits chargeable to dead loss this credit system becomes a serious factor in running up prices. The tendency is to demand the elimination of unnecessary burdens which the public is forced to carry and this means that great rigidity of policy must be pursued by concerns running charge accounts. Where, says the paper, this plan is put into effect under a mutual arrangement in which the various retailers of the community join the enforcement is practicable and comparatively easy. Willingness to co-operate seems to be, as usual, the main factor.

In the February BULLETIN reference was made to a court of arbitration which the Chamber of Commerce of the State of New York purposed putting into operation. The committee consisting of seven members of the chamber has now been formed, its duties and powers being expressed under the following rules:

This committee shall have complete supervision of all matters of arbitration referred to the Chamber and shall make rules and regulations for the conduct and disposition of all matters submitted in arbitration; it shall provide a form of agreement not inconsistent with existing provisions of law by which, so far as practicable, the decision of the arbitrator or arbitrators shall become as effective as a judgment of the Supreme Court.

It shall compile and from time to time revise and keep a list of qualified persons, not less than fifty, willing to act as arbitrators under these rules, who shall be members of the Chamber. This list shall be known as "The List of Official Arbitrators" of the Chamber of Commerce.

Any matter in controversy may be referred by the disputants signing the form of agreement provided by the committee, together with a stipulation to the effect that they will abide by the decision of the arbitrator or arbitrators, by them selected, and waiving any and all right to withdraw from such submission after the acceptance of their appointment by the arbitrator or arbitrators selected, and designating at their option either

(a) One of the persons named in said "List of Official Arbitrators," who shall act as sole arbitrator; or

(b) Any two persons to act as arbitrators, who in turn shall designate from said "List of Official Arbitrators," a third person to be associated with them as arbitrators; or

(c) The Committee on Arbitration of the Chamber of Commerce or a quorum thereof.

In any case the Committee on Arbitration may, in its discretion, decline to entertain a matter submitted for arbitration, in which event the selection of special arbitrator or arbitrators shall be void.

The Committee on Arbitration shall, from time to time, establish a schedule of moderate fees to be paid in all matters submitted, which fees shall be chargeable as decided by the arbitrators.

The secretary of the Chamber of Commerce shall be the clerk of the Committee on Arbitration.

Every now and then the National office is asked by an employee of the credit department of a member, if it is not possible to secure for his own use the MONTHLY BULLETIN of the Association. Members may place extra subscriptions for the BULLETIN to be sent to the address of any employee, at the nominal figure, fifty cents per year. The National office is glad to do this because it believes in the education of the entire credit department to better methods and there is never an issue of the BULLETIN that will not stimulate a young credit man's interest in the development of his department's affairs and make him more valuable to himself and his house, and furthermore, there is no assistant credit man but would appreciate the thoughtfulness which suggests to an employer the taking out of a BULLETIN subscription in his behalf. It might well mean increased loyalty cheaply secured.

DOES THE INTERCHANGE BUREAU MEAN ANYTHING IN MAKING FOR A CITY'S GOOD NAME AND FOR ITS DEVELOPMENT?

BY JOSEPH A. WRIGHT, EL PASO, TEXAS.

One of the sorriest spectacles to a business man is the view he presents to himself after he has been victimized by some individual whom he suspects, subsequent to the regrettable circumstance, of having deliberately set out to help him get rid of some of his goods and chattels.

This observation applies with equal force to a community of business men. Let us take an introspective view of ourselves, and of the situation in El Paso.

Does our examination reveal a state of mind similar to that of the unfortunate gentleman I have just mentioned?

Perhaps not.

Does it point to *possibilities* in that direction? I think it does.

Is there anything to prevent a sharp, shrewd, dishonest man from "working" the wholesalers of El Paso?

We have been victimized in the past, and I believe will continue to be victimized until we build a better fence around our credits.

Can we do it? Can we go into partnership in the safeguarding of our credits? I firmly believe we can and I also believe that the fruits of such co-operation will not only be added security to our credits, but a truly wonderful growth and expansion in our business.

When I say co-operation I do not mean that we shall tell each other our business secrets, that we shall not continue to compete individually for business, but that we shall make common cause against the dishonest and incompetent seekers for credit; that we build a fence, barbed and bristling with interrogations, around our credits; that we do our duty by protecting the reputable, honest, debtor from the competitor who, never intending to pay his debts, enjoys for the moment an immeasurable advantage, and who is the enemy alike of the creditor, the debtor, and the entire community.

Co-operation will assuredly increase our business, for just as soon as it becomes known that we wholesalers and jobbers of El Paso are taking good care of our credits confidence in us will be enhanced, and the kind of dealers whose accounts we desire will feel that a good line of credit in El Paso is a good recommendation.

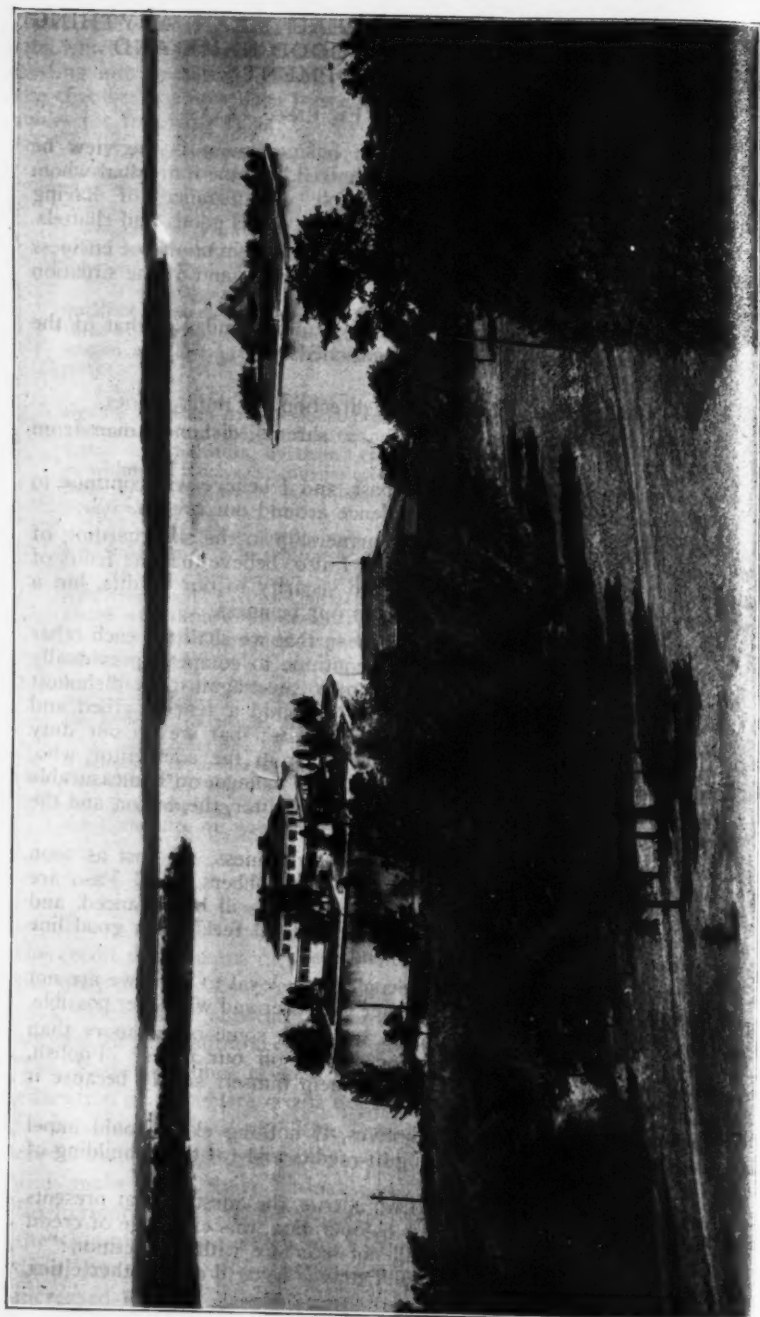
How can we expect our home people to be loyal to us if we are not loyal enough to ourselves to pull together wherever and whenever possible.

It may be true that co-operation will help some of us more than others, but should that excuse us for cutting off our noses? Foolish, indeed, is the man who would refuse to help himself simply because it might also help some other fellow.

I believe that purely selfish motives, if nothing else, should impel us to work together for the bettering of credits and for the upbuilding of El Paso.

Now, granting that all I have said is true, the question that presents itself is, "How can we go about this co-operation, this exchange of credit information, in a manner which will not interfere with competition?"

The answer to that question is, "Do as is being done in other cities, and do it better."



LAKE MINNETONKA (BEAUTIFUL WATER).

G
one
sum
cotta
sum

of o
Its v
thro
char

in th
tect
have
stea

that
cons
hedg
dred

stea
and
to s
its
exp
fash
yach

Min
bod
high
muc
the

of
reas
Ta,
Ind
"Sh
bre
"Er
"Bi
com
heig
noon
the

thro
"La
the
afte

Get Acquainted with Minneapolis the Next Convention City.

Just beyond the borders of Minneapolis lies Lake Minnetonka, one of the most beautiful lakes in the world. On its shores are the summer homes of hundreds of Minneapolis people and in hotels and cottages thousands of tourists from all over the country spend their summers or vacations.

Minnetonka in length is about twenty-four miles. Its shore line, of over three hundred miles, is broken into many beautiful bays. Its waters are clear, pure and cool and abound with fish. It is known throughout the length and breadth of the country as one of the most charming summer resorts in the west.

Where "Little Sixe's" tepees sent aloft their camp-fire smoke in the long ago, summer cottages and lake homes exquisite in architectural design and beautiful surroundings now stand, fine hotels have replaced the birch bark council house. Swift commodious steamers and launches have displaced the birch bark canoes.

A tour of the lake is made in the midst of delightful scenery that charms the eye and rests the senses, while it gives delight by constant change from wide expanse of water to narrow channels hedged in by magnificent foliage in whose shade are situated hundreds of beautiful summer homes.

There are pleasure excursions by daylight and moonlight on steamers, sailboats, launches and rowboats, opportunities for picnics and merry lunches in picturesque nooks in the woods, fishing trips to secluded bays with a fish dinner and a nap in some wild spot on its banks; camping parties; rambles and rides through the forest; expeditions to the fields of the water lilies; evening excursions to fashionable hotels, where concerts and dances attract to enjoyment; yacht races; rowing races and the daily swim in the lake.

Minnehaha has a right to claim a daughter's kinship with fair Minnetonka as Minnehaha Creek is the only outlet of this magnificent body of water. With the varying change of Minnetonka's water level high or low, Minnehaha now softly weeps and again shouts with much laughter as it hurries towards the great river and onward to the gulf.

The story of how "Unk-Ta-He" was subdued, an Indian legend of the first storm on Minnetonka (Beautiful Water) and of the reason the lake shivers when dark clouds pass over; of "Wa-Kon-Wi-Ta," the enchanted or great spirit island; of "Wawataso" a tale of Indian love and bravery, of "White Crow," of "Little Sixe" or "Shakopee," are inseparable with the history of Minnetonka. Its breezy point, "Crane Island," "Spirit Knob," "Cooks Bay," and the "Enchanted Island," are familiar to frequenters as well as residents. "Big Island Park," where in all probability one of the days of the coming convention will be spent, abounds in beautifully wooded heights; shady sylvan dales; rolling lawns; grand old trees; inviting nooks and picturesque ravines. By day it is a picture; by night when the electric wand has touched it, it is fairy land.

The lake is reached by trolley lines, "The Great White Way," through "Greenery and Scenery," past "Loring Park," "The Parade," "Lake of the Isles," along the shores of "Lake Calhoun," named after the famous statesman, John C. Calhoun, and "Lake Harriet," named after the wife of Col. Leavenworth, a pioneer officer of Fort Snelling.

These lakes with the beautiful boulevards along their shores with the picturesque stretches of wild nature redolent of tamarack and wild flowers, are shining gems of which any city might well be proud.

The Minneapolis Association of Credit Men desires that you avail yourselves of the opportunity of enjoying the pleasures afforded by a visit to these beautiful lakes in June.

The Adjustment Bureau of the Denver Association Makes the Seventh Annual Report of Its Stewardship.

From the time of its installation in 1903 through the efforts of such well known credit men as F. W. Standart, W. C. Weaver and Chas. Brockman, when an annual business of but \$40,000 was transacted till this past year with business turned over to it of over \$300,000, the Adjustment Bureau of the Denver Credit Men's Association has been faithful to the original purposes for which adjustment bureaus under the National Association of Credit Men were formed and has thus secured for itself the absolute confidence of Colorado credit men and others who know what the bureau is attempting to do.

The report of the year ending October 1, 1910, being the seventh annual, points to the utmost care in incurring expenses on adjustments, 2 9/10 per cent. was charged to expense in cases handled by the bureau during the year and it is estimated that through savings effected by more favorable sales of merchandise stocks, through better collections on book accounts than officers of courts could procure, and through minute attention to every detail of expense, creditors in cases handled have been saved not less than \$50,000 as against court settlements. And this saving accrues not only to local creditors but to all interested parties for a fixed rule of the bureau has been to place all claims on the same basis.

That which tends more than anything to keep the adjustment bureau free from taint is the constitutional provision that for every failure shall be appointed a committee of the three largest creditors to pass upon claims and advise with the bureau upon all important points of the case. These committees acting without compensation have rendered a great service to the bureau, have supplemented its efforts and it is to the combination of these two forces that is due the success with which the out of court adjustments of the bureau have been conducted.

As has been frequently said, the principles underlying a rightly formed and constituted adjustment bureau are sound and commendable. Such a bureau gives the creditors the proper avenue through which to care for their own losses, and with efficient management to render prompt and intelligent service to the credit men. The embarrassed, honest debtor can, through this agency, treat directly with his creditors without the intervention of the court, and secure a settlement either by compromise or liquidation but managers of bureaus must hold to high ideals and conservatism should always govern their acts.

There are several conclusions drawn in the report which are well worth considering and are quoted verbatim:

"In matters of closing up insolvent estates, the creditors *should*

always, if their account is in the hands of an attorney for collection, instruct him to work with the Adjustment Bureau in every case. We would suggest that it might be well to have printed slips placed upon all collections stating: 'In case of a failure this collection is to be turned over to the Adjustment Bureau,' and if this were done we believe the attorney would work harder to collect and not be so anxious to file a petition in bankruptcy.

"We believe the matter of adjusting insolvent estates should be a secondary matter of Adjustment Bureaus, and a higher aim, that of investigation, should be more closely followed.

"When a creditor sees that his customer is falling behind and is asking for extensions, he should, at that moment, call upon the Adjustment Bureau and request an investigation. Through this investigation, the adjuster will usually find that the debtor is drifting toward insolvency. Now is the time for the true work of the Adjustment Bureau in determining the trouble and remedying the cause. If this course were followed we would have less failures.

"We find upon investigating cases that the debtor has known of his failing condition long before the credit man was aware of it, has worried over it and fought against insolvency until his life has almost become a burden, and in such cases there is sometimes a chance to save the debtor by placing a competent merchant, temporarily, in charge to conduct the business.

"Having followed adjusting for eight years during which time the entire business has been that of handling losses, we firmly believe, in fact we know, that a large majority of failures are honest, and the real cause of over 85 per cent. of failures is from incompetency, and the only means of overcoming this trouble is by a system of education through the Adjustment Bureau."

The report shows that of twenty-nine cases closed during the year 41 3/10 per cent. on liabilities was paid to creditors though seven cases paid 100 per cent., three 80 to 100, and four 50 to 80.

The bureau had some experience with bankruptcy cases and in them the average general expense jumped to 32 7/10 per cent. as against 2 9/10 per cent. in the general run of cases.

All these facts are well worth the careful consideration of every wide-awake credit man because they point to what the adjustment bureau system in the hands of conscientious directors chosen from associations of credit men can do in conserving estates.

Collection Hints from Here and There.

All formulas and methods are good in a way, but do not fit all customers.

A very clear understanding should be had when credit is given as to how settlement is to be made and as to time of payment.

When time is fixed for payment, if necessary to go after the money, do it, or have a collector do it, at that time.

Small accounts are often the most troublesome to collect, even from people abundantly able to pay them, or larger ones.

Don't allow your sympathy to override your judgment.

As in every other line of accomplishment, energy, interest, and attention are the elements absolutely necessary for success.—*From the Seattle Association Bulletin.*

One of the Greatest Fights in Which Credit Men Have Engaged.

As has been repeatedly stated in the BULLETIN, the members of the Philadelphia and Pittsburgh Associations of Credit Men are exerting all the energy that can be mustered to establish the municipal court system in the cities of Pennsylvania. This means amending the constitution. A resolution calling for the necessary amendment passed the legislature in the session of 1909 but the resolution must be passed at two sessions and is now therefore before the legislature of 1911 for final decision having been favorably reported by the general committee.

The Philadelphia association has issued a concise statement so that all Pennsylvania business men may join intelligently in this most important fight for better and prompter settlement of questions in dispute before the courts.

Twelve reasons why the citizens of Pennsylvania need municipal courts and two reasons why they may not get them are named in this statement as follows:

REASONS FOR.

First.—Municipal Courts are unqualified successes in Chicago, Buffalo and Washington and are being established in many other progressive cities.

Second.—They facilitate the administration of justice both civil and criminal and reduce the cost of litigation both to the tax payers and to the parties litigant.

Third.—Because 90 per cent. of the cases started in a Municipal Court will be tried to a conclusion in that court and the higher courts will be relieved of a large amount of petty litigation.

Fourth.—Trial by jury will be allowed to litigants, but trial without jury before the judge will be made possible and the experience of other cities justifies the prediction that over 90 per cent of the cases will be tried by the court without a jury.

Fifth.—Trial without a jury will relieve litigants and tax payers of great expense and will make it unnecessary for hundreds of business men to neglect their business to serve on juries.

Sixth.—The swift justice of a Municipal Court in criminal cases will reduce crime more than one-half before the court is five years old.

Seventh.—Hundreds of complainants, who are now deterred from going into court because of the slow progress of cases under the present system, will use the Municipal Courts. Litigation, however, in the aggregate, will be reduced because other hundreds who now use the courts for purposes of delay only, will pay their just debts.

Eighth.—Cases will be reached and tried in the Municipal Courts within a few days or at most a few weeks while the details are fresh in the minds of witnesses.

Ninth.—Cases will be tried in the Municipal Courts when they are first put on the list and on the day set, so that it will not be necessary for lawyers, litigants and witnesses to attend court from three to ten times and during from two to ten years, hoping each time that their case may be heard.

Tenth.—Credit upon which most of our business is based may safely be further extended as soon as we have a Municipal Court, and collections can be made swiftly so that business beats will be deprived of the present legal machinery which operates for delay.

Eleventh.—Technicalities will be eliminated and the field opened so

that young attorneys can practise in cases that are now considered too unimportant for older lawyers to give their attention to.

Twelve.—Because bankruptcy cases will be reduced to a minimum.

REASONS AGAINST.

First.—The magistrates do not want to give up their positions.

Second.—The magistrates control a large part of the organization that controls legislation in Pennsylvania.

The statement then continues:

"The political leaders in Pennsylvania must be convinced that the demand on the part of the business interests of Philadelphia and Pittsburgh for Municipal Courts is so overwhelming that it will be more important to them to accede to this demand than to cater to a few unimportant magistrates. There is no doubt but that the desire for Municipal Courts is practically unanimous among all the business interests of both Philadelphia and Pittsburgh and the necessity for such courts is clearly apparent, but the demand has not, up to this time, *been loud enough to attract much attention*. It is absolutely necessary that every citizen and all business concerns interested in bringing about the establishment of Municipal Courts make their desire in the matter clear to *members of the legislature*.

"It is not important that we insist upon the abolition of the Magistrate Courts. In fact we do not care whether they are abolished or remain, provided a Municipal Court is given and manned by judges learned in law where we can have litigation attended to in a business way. Some are of the opinion that there is room enough and may be business enough for both the Municipal Courts and the Magistrates Courts and it is perhaps wise for us to ignore the question of the abolition of the Magistrates Courts at the present time.

"As a matter of fact the passing of this amendment will have nothing to do with abolishing the Magistrates Courts. It will simply make the abolition of Magistrates Courts and the establishment of Municipal Courts possible. The argument against maintaining both systems of courts will be the expense.

"The reply to this is that well regulated Municipal Courts will, within two years, earn enough money for the city to pay both for themselves and the maintaining the Magistrate Courts.

"The real reply however, to any objection on the question of expense is that Municipal Courts are so important and so necessary that if they cost twice as much to maintain as Magistrate Courts now cost, the expense of both would be fully justified by the result which will follow for business interests, poor and weak litigants and citizens in general.

"The organization, in which the magistrates of Philadelphia are such a larger factor, is not in the slightest danger of losing control in the legislature now or in the future. The legislature may decide some time, not, now, whether the magistrate system shall be abolished and it is almost unthinkable that the leaders of the organization will deny us at the present time what we are so reasonably asking, and postpone further a change in judicial procedure so vital to all business interests.

One thing is certain and the political leaders may be sure that if Municipal Courts are authorized and established business interests will not ask the legislature to abolish the magistrate system. We are not against magistrates—we are in favor of Municipal Courts.

"GENSON L. LEVI, *Secretary Legislative Committee.*"

FARMERS' CO-OPERATIVE MERCANTILE COMPANIES.

FROM THE MONTHLY LEAFLET OF THE MINNEAPOLIS ASSOCIATION.

"Reference has been made at several recent meetings of the Minneapolis association to co-operative stores with special reference to those organized under a certain plan which has seemed to have gained favor with farmers. Under this plan, any stockholder can get his money back at any time he may desire by giving short time notice. If one moves away he can get his money back by asking for it. A few days ago one of these concerns went into the hands of a trustee, having \$10,000 assets and \$18,000 debts. An assessment of 30 per cent. had been made during the past year, which as events proved went to reimburse stockholders who wanted to get out. Such concerns cannot succeed. No competent, self-respecting man will remain as manager of such a company any length of time, and the ideas of stockholders as to the management of the business and the percentage of profit that should be made are at variance with the experience of successful business men. They are a constant "thorn in the side" of the legitimate merchants in a community and to extend credit to them means a loss in the end. Our members should in every case fully acquaint themselves as to the plan upon which a co-operative company is organized before extending credit, and no matter what the plan, if its stockholders are farmers its credit should be restricted and prompt payment insisted upon."

ENGLISH AND AMERICAN MERCANTILE AGENCY METHODS.

SOME POINTS OF DISSIMILARITY DISCOVERED BY C. C. ROBERTSON, OF ST. LOUIS, MISSOURI.

In the course of an investigation of mercantile agency methods the Association has been favored by two English reporting agencies with forms and descriptions of their methods of securing information. It was found that there is considerable difference in the way agencies abroad and here do their work. Possibly while subscribers here may feel that they have their grievances, still there seems to be a considerably worse state of affairs in England where our forefathers learned how to do business.

The main feature of our reports, the financial statement, is entirely missing in the English reports, as the English business man, it is said, almost invariably resents the request for a statement of his financial condition, and for this reason there is no financial rating given in the reference book published.

Of late years, however, quite marked progress has been made in England in the mercantile agency situation, perhaps due to the large influx of Americans into the business world of the United Kingdom. There is now published a rating book that carries the *credit* rating of about 120,000 names and these ratings are recognized by the Lloyd Agency, which is a good standard of their worth.

A comparison of the blanks sent out by English agencies to their correspondents to be used as a basis for gathering information, with those used by Bradstreet and Dun in this country presents some interesting features. In the inquiry blank of the English agency occur such (to us) unusual inquiries as: Number of hands

employed? Large or small turnover? Is there any local opposition? There is no mention made of fire insurance or fire record. There is also omitted mention of financial statements as before stated.

A few interesting forms which are unknown to our agencies are as follows:

Farmer

Personally known to you?
Full name required?
How long on the farm?
If recently taken farm, give previous address?
Name of previous tenant?
Reputation and character?
If of steady habits?
Is it well stocked and farmed?
Acreage?
Does he rent any other land?
Rental value?
If own property or leased?
Is there any mortgage on property?
Who is the landlord?
What is principally grown?
If live-stock, what does it consist of?
If modern machinery?
Is house well furnished? In own name?
How many hands employed?
If prompt in payments?
State present financial position?
Ever failed or arranged with creditors?

Shop Keeper

Do you know him or her personally?
Full name of proprietor?
If a woman, state if married?
Is her husband in the business or where?
Personal and business reputation?
If of steady habits?
How long in existence?
Who was previous proprietor?
Was there special reason for disposal?
Has the business changed hands frequently? How long in present hands?
Cash or credit trade?
If wholesale or retail?
What do they sell?
Customer or passing trade?
Is business paying?
Is there much opposition in neighborhood?
Residential or workingmen's district?
How many shop windows?
Is shop well stocked?
Are premises leased or owned?
If owned, are they mortgaged?
Probable rental value?
Are they local people?
If well connected?
Do husband or wife possess means outside of business?
Is he or she financially backed? By whom? Ever failed or arranged with creditors, and when? If prompt in payments?
If any county court judgments?

Saloon

Is he known to you personally?
To what brewer is he tied?
To what spirit merchant is he tied?
His turnover in malt and spirits?
Has turnover deteriorated in past three years?
Is the license endangered?
What price the house changed hands?
Present value of good-will?
How many licensed houses in neighborhood? Class of trade?
Ever any complaint against house or tenant?
Full name of tenant? How long here?
Where previously? Reputation and character? If of steady habits?
Is it hotel, or purely bar trade?
What staff employed?
Rental value?
What capital has he?
If prompt in payments?
If ever in financial trouble?

Individual

Is he—she known to you personally?
Full Christian name?
How long at address?
If permanent address?
Where previously?
Rental of premises?
If weekly, monthly or quarterly tenant or lodger?
If living with parents?
If married or single?
Occupation?
Name of employer?
Local reputation and character?
Give antecedents?
Social and financial position?
If of steady habits?
If possessed of private means, property, etc.
If prompt in payments?

The utmost discretion to be used in making this inquiry. On no account interview or call at the house.

If at present in good health?
If suffering from physical defect?

American agencies, of course, have many features that English agencies seem to neglect entirely, such as special forms for later reports; details of loss by fire; assignment; bankruptcy particulars and trade references. These subjects here are arranged for in most comprehensive form, and if always filled in by intelligent correspondents would add greatly to the credit records of subscribers in this country.

In the course of the investigation a very interesting communication was received from an agency which started business in England in 1844, coming to that country from Germany, and probably carrying with it some continental ideas. As its method of procedure is rather unique, quotations are made from its letter:

"I collect my information in the following way: I personally locate my inquiries in the soft trade (textile branch) which I thoroughly know—call on the people to see who they are—and also ascertain through the directories if the firm is of many years standing, etc. If it is a respectable firm it is as a rule most willing to give every information which is wanted—as a rule it gives two trade references and also mentions the names of bankers—from the latter we also get a report. If it is a new firm trading in an English name and I find Poles, Russians or any other foreigners there, we are most careful in our reports, finding out from postmen or railway men who deliver letters or goods from what places they come, also follow the goods to find where they are sold—we generally watch the place—but I am very glad to say that this happens seldom, as in most cases we find out the proprietors soon for their friends whom we may know are only too glad to give us the information we want. Further, there are generally so many references willing to help on the ground that they will benefit to some extent.

"For other trades I have some agents who are getting me the information I want, and as a rule their reports I review as carefully as I can after having the reply from my agent. I write all my reports myself and sign them and thus know that they are correct to the best of my ability and that I am morally responsible for the information and if you know the time it takes to make a bonafide report with all its entries you will admit that even at 2/6 for each inquiry you cannot make a fortune out of it.

"I am trying to sell my subscription books which I have in English and German from 10, 25, 50, 100 forms,—my rates are higher than any other office—but my inquiries and searches are always supplied fresh for each customer, not using any former information in our possession.

"I also send out circulars for inquiries and collection of debts. I find that the collecting of debts is a very thankless job, as no German house likes to pay the out of pocket expenses and please note that the debts we are getting to collect are absolutely from swindlers. All other offices have been trying to collect such accounts but in most cases without success and then the debts are handed over to us, but unknown to us that the continental firm has been trying to get the account through another office; even in doing this we have been very successful, but the annoyance is too great and our commission on such cases is 5 per cent. from the collected amounts thus the collection department is more trouble to me than it is worth. We also find for foreign firms agents in London, in such a case we charge 21/, after the agent is appointed."

Our investigation as before stated has shown us that although our service in this country is certainly open to honest criticism it undoubtedly is many years ahead of that secured by our English cousins, but it is also shown that each country gets, in a measure, just what it demands, and although we ought to feel justly proud of the service we receive, still in this as in all business enterprise we ought always to urge the agencies to still greater achievements. They can do much more than they do now to save American merchants from suffering losses.

A Good Letter on an Important Subject.

The BULLETIN has on several occasions given items which have shown that credit men of Utah are much alive to their responsibilities in insurance matters. There is presented here a telling letter which the large dry goods jobbing house, John Scowcroft & Sons Co., of Ogden, is sending out in connection with inquiries as to customers' insurance. It is brief and its effectiveness very much increased by the examples it contains:

INSURANCE

IMPORTANT

INSURANCE

INSURANCE

INSURANCE

Definition: Insurance is the act or system of insuring against loss or damage by fire or other destructive elements. A means of protection against total loss.

Does It Pay to Insure?

EXAMPLES

A merchant a few days ago sustained a loss by fire. Stock and building worth \$75,000, partially insured, were totally destroyed. He carried \$10,000 insurance. If he collects every dollar owing him, with insurance added, he cannot pay what he is owing. Besides the labor and accumulation of 25 years swept away in three hours. This man should have had \$40,000 to \$50,000 insurance.

AGAIN:

A mercantile company feeling the pressure of the tight money market and difficulty in making collections hesitated about renewing policies that were going to expire on a certain day. The day arrived and passed. The manager called the attention of the directors to the fact that the stock and building had no insurance on them. They realized the danger at once, and the manager was instructed to renew the insurance the very next day.

The next day, however, was too late. That very night the stock and building was completely and totally destroyed. No Insurance. \$25,000 was allowed to expire four days before.

A few days ago the state capitol of Missouri was destroyed by fire. No insurance. Total loss. The state of Missouri can stand it.

BUT CAN YOU STAND A FIRE LOSS? Are you protected sufficiently in the event of fire?

INSURANCE is a good investment, a necessary protection. It protects you, it protects those depending on you. It strengthens and enhances your credit. It protects your stockholders.

In case of disaster it reflects business acumen and sagacity; for the first question is: How much insurance?

Protect your good name and above all, in the event of fire, your financial standing through a good line of insurance.

Will you please fill out enclosed card and return to us.

Yours truly,

JOHN SCOWCROFT & SONS CO.

Attached is a blank as follows:

JOHN SCOWCROFT & SONS CO.

OGDEN, UTAH.

We are carrying Insurance as follows:

| | |
|------------------------|---------|
| Value of Stock, | \$..... |
| Insurance on Stock, | \$..... |
| Value of Building, | \$..... |
| Insurance on Building, | \$..... |

Date, 1911.

Signed.

CREDIT MEN MUST SHOW THEIR CUSTOMERS THAT INSURANCE AGENTS ARE OFTEN UNINFORMED REGARDING THE MEANING OF POLICY CLAUSES.

An Incident in Illustration.

The residence of a comparatively poor man was destroyed by fire a short while ago. It appeared that some three weeks before the fire occurred the owner of the house bought a gasoline stove and a can of gasoline to use in it. The stove was not, however, placed in actual use. The owner asked the agent whether the presence of this stove and of the gasoline affected his insurance in any way, and whether it was necessary to get a permit. The agent replied "No" to both of these questions. This occurred in a comparatively small town in New York state, but it is hard to understand how anyone could be in the insurance business six months without knowing that the presence of gasoline, or any similar inflammable fluid, absolutely voids the insurance, unless a special permit is obtained. But this agent gave the advice quoted. One day the daughter of the man who owned the house decided that she wanted to clean a waist, and used gasoline for that purpose, leaving a big saucerful of it standing exposed in the kitchen, which was closed up while she went off about some other affairs. Later she returned and endeavored to light the fire. The gasoline vapor exploded, fire ensued and the house was destroyed. The insurance company absolutely denied liability, but finally, because there was some question of the agent's knowledge of the facts, compromised and paid about 40 per cent. of the amount of the claim.—*Best's Insurance News.*

THE CREDIT MAN'S STANDARD OF EFFICIENCY.

By E. W. STOREY, IN THE "PHILADELPHIA CREDITMAN."

January is usually the month when the credit man, after having summed up his previous year's experience, is able to determine the efficiency of his efforts, and to make his plans like any other good business man for the ensuing year, setting up a higher mark to reach and a greater success to achieve.

It is well now to consider what is the real standard by which his efforts shall be properly considered or measured. Is it not too often true that the credit man himself and his employer, too, if he has one, looks most to the percentage of bad debts as compared to the total volume of business done?

How often do we hear the remark that the loss was one-eighth of one per cent., or one-fourth of one per cent., or one-half of one per cent., made with the intent of creating a favorable impression as to the wise and careful conduct of the credit department? It is obviously not fair in any sense to judge a credit man or the work of his department by such a standard.

To illustrate, let us suppose a manufacturer in a given line of business transacts a volume of \$5,000,000; that he does not lose a cent in bad debts and yet makes little or nothing in net profits. Now, to complete the illustration, we suppose that another manufacturer in the same line of business transacts a business of \$2,000,000, that he loses, say, 2 per cent. in bad debts, and yet, after absorbing this 2 per cent. loss in his profit and loss account, still has a net profit of, say, 10 per cent. on his investment. Who would venture to measure the efficiency of the credit departments of the two respective manufacturers by the percentage of loss sustained on aggregate sales? An analysis of the two might reveal a condition like this:

The credit man who showed no losses on bad debts took no chances, played it safe, so to speak; selected only the gilt-edged trade who could buy for that very reason at the lowest selling price and enabled his firm's selling organization to pile up the large volume of sales, but at the same time, through the instrumentality of his department, drove away a more profitable though more risky class of trade.

Against this is the showing of net earnings on an even much smaller volume of trade which might be traced to the very fact of a more liberal policy, a more judicious handling of credit risks alone. This percentage standard for the credit department is just as much a myth as is the cost of doing business as a whole.

If a concern makes 30 per cent. gross on its net sales and contracts, total expenses, including bad debts and depreciation of only 20 per cent., it is a better paying concern, dollar for dollar on invested capital, than one that makes, say, 25 per cent. gross on its net sales and contracts a total of expenses, bad debts and depreciation of 18 per cent.

The credit man must be judged by the same standard as the sales manager, not by the percentage it costs to do business, but by the percentage of net profits to invested capital. It is folly to think that a very small margin of credit losses is a correct or even adequate guide by which to measure the efficiency of the credit man.

The credit man should be a student in his line of business—be it what it may—who studies the relation of the profit to be earned to the risk taken. Wise business men have been known, because of the profit-

able character of a certain line of goods, to take long chances on the credit end and have made money. On the other hand, the wise business man who knows that his margin of profit is so slim that his turn over must occur at least every ninety days, does not take on credit accounts when he knows he cannot get his pay in five or six months even if the prospective customer is, as the old familiar saying goes, "good as wheat," and now we have just reached the real essence of the subject, namely, the consideration of terms vs. credit responsibility, and it is a subject that is shamefully neglected, as evidenced by the practice of rendering credit accounts once a month instead of rendering the separate bills as they fall due.

No credit man can claim the highest degree of efficiency until he collects his bills as soon as they are due (with reasonable allowance for meritorious extension) and as much sooner as possible, consistent with the preservation of profits, by which is meant avoiding the allowance of excessive discounts to encourage payments before bills are due.

How can any credit man defend the time-honored practice of monthly rendering as compared with the more modern method of rendering bills as they fall due? The following is a simple illustration of the loss sustained by the use of the monthly rendering: A bill of goods is shipped and invoiced, say, on the second day of the month, terms sixty days. Now that bill will be rendered twice by those who render everything due and not due, before the bill is actually due, while by those who render once a month, bills only which are due, it will not be rendered at all until twenty-eight days after it is actually due.

To make our case strong, let us presume that we are considering gilt-edged credits only. If we prove our case right in regard to these accounts it will be doubly right in regard to weak or doubtful risks. Right here undoubtedly someone rises to repeat those old stereotyped remarks that come chiefly from a lack of investigation and therefore from a lack of knowledge:

"My customers require a complete statement monthly," and perhaps will add that the average country dealer does not keep his books written up and needs a monthly statement to keep him straight; or, "My customers make it a rule to discount all of the bills of one month on the tenth day of the following month. A commendable and quite common practice that requires a regular monthly statement."

To the first we would answer that it is a bad rule to encourage a dealer in slouchy methods; that we shall rather educate him to keep his books written up regularly and if our attitude toward him is such as to require him to provide the necessary funds to meet a bill the day it falls due or with five or ten days' grace as a limit in all ordinary cases, it is commendable to say the least.

To the other we would say that only a very small percentage of dealers discount all the bills of a previous month on the tenth or fifteenth of the following month, and that it is a bad rule to adopt or maintain a method that is beneficial only to a small minority of customers.

Why should a good credit customer help himself to twenty, forty or sixty days' extra time on a bill after it is due any more than he should help himself to the cash in your till? It all amounts to the same thing in the end. The wise merchant keeps his capital working and does not tie it up even in good credit risks.

Credit is purely an accommodation, and when it is abused a polite note is in no way improper, and experience has shown that a gentle

reminder at the right time is an excellent tonic for the chronic slow payer who is prone to let his accounts run unnecessarily long through outright slouchiness in business methods or with the deliberate intent of using another's capital with which to do his own business.

How many wealthy manufacturers are actually acting as bankers at 6 per cent. for customers using capital that should earn them 10, 12 or 15 per cent. in active circulation? Credit men as a whole should lend their support to a concentrated effort to get the money on bills when they fall due, but should not encourage the regular closing of accounts with thirty or sixty day notes at 6 per cent.; that is a favor to be granted only occasionally and when circumstances are such as to warrant it. Neither should they let a customer habitually get from one to twenty-nine days' extra time when he does not seek or want it. Why not stop the little but myriad drains on profits by introducing the very best method of bringing in the money, intact, at the earliest possible moment?

Again, someone may rise to say that the daily rendering of bills involves a complicated accounting system and a lot of inside red tape. That is not true. In fact, it is a method that should simplify inside methods and reduce the so-called red tape. Credit department methods are a subject worthy of careful study, just as factory methods, sales methods and accounting methods are made the subject of careful study by the up-to-the-minute merchant.

You cannot hope to attach up-to-date credit department methods to an antiquated accounting system any more than the merest tyro would expect to get six horse-power from a two-horse-power engine.

Briefly, we outline the requisites of an accounting system that will permit the daily rendering of bills as they fall due and easy following up that should accompany such a system.

Loose-leaf sales ledgers alphabetically filed.

Loose-leaf day books similarly filed.

Posting direct from day book to ledger.

Draft records on ledger page.

Daily drafts concurrent with daily statements.

Perfect co-operation between credit man and accountants.

That is all. The rest is merely a matter of minor details, such as following up drafts, not making drafts where same are objectionable, but writing a polite note instead to accompany the statement, the utter abandonment of rubber stamp dunning or sticker or circular letter dunning, which cannot be too strongly condemned.

A tickler date should be maintained on all delinquent accounts to arrest new orders and enable the credit man to connect up the new order with the delinquency and use it as his judgment deems best.

A maturity record should not be a set of cards or envelopes, but merely a loose-leaf book with a page or number of pages for each day's business according to volume. The elimination of folios and addresses makes the writing up simple. The combining of bills falling due in a period of five or even ten days reduces labor and prevents too frequent communication with the customer.

Every business has its peculiarities, and a daily rendering system must be fitted to the needs of the business, but the principle is right and should receive the thoughtful and careful consideration of every credit man who wishes to attain to the highest degree of efficiency.

Finally, we may say that in the last analysis the credit man's work should be properly judged by the net results in profits and the

nature of the accounts lost and that as a going proposition it should be his constant aim to turn over the capital invested as often as possible without resorting to demoralizing methods such as excessive discount or allowances to bring in the money early.

A FEW THOUGHTS IN PASSING ON COLLECTIONS.

By A. M. MECKELNBURG, MISHAWAKA, IND.

The subject of collections should have its beginning with the granting of credits, which might be called its foundation. So much has been said on collections that it would be difficult, if not well-nigh impossible, to announce any new or startling facts, but a review of the subject from different standpoints cannot fail to be helpful; therefore, we will start the subject by asking, in what way can collection men be of most assistance to each other?

The answer comes quite naturally—by exchanging experience.

You may build up fine and plausible theories, but perhaps you recall the story of the old darky who had been arrested for stealing chickens. After the attorneys had wrangled over the case for some little time, and succeeded in eliciting the information that "De white chickens were easier to get, but de black ones were easier to get away with when you once got 'em," the judge kindly interposed, saying, "Now, 'Rastus, you just tell me all about it," 'Rastus answered, "Ob cose Ah could tell you all about it, Jedge, but it would do you no good, 'cause it takes lots of practice—experience." Thus, it will be seen, that it is experience that counts, after all.

As a writer has truthfully said, "Only about 10 per cent. of our losses occur before accounts mature," which brings us at once to the realization of the importance of insisting on prompt payment. The all-important question is how, and by what methods, can this be best accomplished?

The answer is found in the three words—insistence, persistence and consistency. These are the tools with the proper use of which losses may be reduced to a minimum.

Every collection man is supposed to know how to use these tools, and why are losses greater than we would like them to be; or why do we not reduce them, even though they compare favorably with those of our acquaintance?

Perhaps it is because we are just a little too timid, fearing to lose a customer by seeming too rigid. Also, do we not all have a greater or less number of so-called "pet" accounts, which would work to our advantage if they were eliminated? Very few, if any, desirable accounts are ever lost by insisting on prompt settlements. Leniency in this direction more often results in a twofold loss. We sell the delinquent fewer goods, and in the long run lose out altogether.

When we are satisfied that a customer absolutely requires an extension of thirty days or longer (and we should be sure that we were not being discriminated against), we should insist that the account be closed by interest-bearing note. If security can be obtained, all the better, and also, for obvious reasons, it will be found advantageous to take the note as collateral to the account.

We should never allow ourselves to be put off with those time-worn phrases, which really mean nothing at all, such as "will remit in a few days," "in a short time," or "shortly," etc. We should insist on a definite time of payment, and when that time rolls around and remittance is not forthcoming, get after it at once. If we overlook doing so the debtor is not very apt to remind us.

The object is to make the delinquent debtor feel that his is the only account, and that our watchful eye is ever upon it. Let him know we are on the job day and night. The result is, if anybody has to wait for his money it will be the other fellow.

After we have exhausted our resources and have made up our minds to send the claim to an attorney, we should, whenever possible, give the attorney positive instructions, and not leave the matter to his discretion. We do not know what his relations to the debtor may be, which might move him to be too lenient and yet not feel that he was disloyal to our interest, although it ultimately results in our loss.

Whenever reports received from an attorney indicate that he is not inclined to employ drastic measures, or we have a feeling that his sympathies are with the debtor, we should instruct him to return the claim at once if he is unable to collect. This, as many collection men will testify, brings excellent results; and while occasionally a claim is returned, in the majority of the cases the attorney gets busy and we get our money in a surprisingly short time.

Let us sound this slogan: To insist on prompt settlement; to persistently follow delinquents; to be consistent, not necessarily arbitrary, of course not forgetting the human element which, to a greater or less extent, must enter into all business transactions and cannot safely be ignored.

Communities of Interest Among Merchants.

"Coming down to the office a few mornings ago," said a member of the Minneapolis association, "I overheard a gentleman in the seat behind me commenting upon the fact that J. P. Morgan & Co. had come to the assistance of a bank that was involved in the failure of another and by so doing had prevented what might have proved a serious panic. He continued his talk by saying that some time merchants would pursue a similar policy. He said he believed the time would come when merchants would form communities of interest with the object of preventing mercantile failures by coming to the assistance of concerns that were involved or embarrassed."

"Now the members of the St. Paul and Minneapolis associations," continued our member, "have made a start in that direction by the formation of 'The Northwestern Jobbers' Credit Bureau.' While at the present time its efforts are along the line of conserving assets and thus protecting its members from loss, and at the same time saving the debtor's business for him, it will eventually not only do all this, but will bring about a condition of merchandising that will prevent the sacrifice of stocks of goods to the detriment of other merchants by enlisting them in efforts to prevent failures, through coming to the assistance in one way or another of those in a failing condition. It is a subject that may well engage the careful thought of every one of our members. A proper solution of the problem would mean the saving of hundreds of thousands of dollars to creditors."

THE BAD HABIT OF EXTENDING CREDITS AND TERMS BEYOND REASONABLE LIMITS AND BEYOND WHAT IS RECOGNIZED AS STANDARD PRACTICE.

**Where Such Habit Usually Brings Up—The Necessities for Closer
Adherence to Reasonable Terms than is practiced To-day
in Builders' Supply Lines—The Remedy.**

BY HARRY P. BOYD, PRESIDENT OF THE BALTIMORE ASSOCIATION OF
CREDIT MEN, BEFORE THE NATIONAL BUILDERS' SUPPLY ASSOCIATION.

We all know that in modern merchandising, credit is the vitalizing force which keeps the industrial world on the move. Henry Clews has declared, "It isn't cash but credit that makes for confidence and growth in the business world." So seriously is this axiom taken that in nearly every branch of business associations of credit men have been formed, and it is the function of these credit men to fix a status of character or commercial repute for the customer or patron, and to decree the applicant for credit either worthy of trust or unfit for business dealings.

In reviewing the various branches of barter and trade I have reached the conclusion that in all the wide field of commercialism there is presented no precise parallel to the conditions under which the builders' supply trade is conducted. In nearly every other line there is a basic principle under which credit is given or refused. There are tangible assets scheduled; the applicant's character, his capability as a business man, his general reputation and local trade conditions are ascertained and become factors in determining the estimate the credit man forms as to whether he is a good moral risk, worthy of trust and confidence.

In our line of business these qualifications and characteristics are, it would seem, but of secondary importance. As the supply trade is at this time largely constituted credit is mostly a gamble. There is lacking that element of tangible security which is regarded as an essential to the granting of credit in other lines.

A contractor comes to the dealer, or the dealer goes to the contractor, as a preliminary to a trade transaction. Bids are submitted, accepted, and the deal is closed. If the question of resources is broached at all, it is promptly brushed aside by the bluff of the contractor, who disposes of his inquisitor by a string of generalities. If there are assets, they are as a rule vastly inadequate to the amount of credit involved, measured by the standard demanded by other lines of trade and which have a direct bearing upon the amount of credit to be extended. Your contractor may be a gilt-edged risk, or he may be one whose known reputation for integrity and honor places him in the desirable class; on the other hand, he may be a man of known honest intent and with no resources other than his willingness to meet his obligations should the undertaking in which he is about to engage be carried to a successful completion. You chance it. In any case the element of risk is nearly always present and must be borne by the supply dealer if he would remain in the game. I am talking now of those contractors whose trade a majority of the dealers seek, leaving out of consideration that other class with whom "Cash transactions are advised."

As you are doubtless aware, a contractor engaged upon work of any magnitude, in a majority of cases, collects 80 per cent. on the work done monthly, as he goes along. He makes a similar arrangement with the material man, that is, to pay him monthly 80 per cent. of the cost of

the amount of material furnished within that given time. Your experience will very likely remind you that this 80 per cent. payment is frequently held back an additional thirty days or longer, and on a big contract the deferred 20 per cent. payments reach a considerable sum before the job is completed and a final settlement made.

Now, in the experience of most supply dealers there is nothing like a net 20 per cent. profit in the transaction as a whole. Yet, not only is the dealer's profit tied up by this arrangement, but a considerable amount of his capital. In other words, he becomes a party to the financing of the work, the banker to the contractor, without the banker's customary compensation of interest and discounts.

The contract is not framed or phrased by the supply man, who by commercial usage, should be regarded as the party of the first part, but is furnished and dictated by the contractor, the party of the second part, and if anyone is not familiar with its terms and provisions, I have a copy of the instrument for your inspection.

Now this, of course, sets forth the conditions as they are, when the dealing is with the big contractors, men who are classed as A 1, in whom the element of risk is at the minimum, but I have related them to illustrate the inequitable system largely in force between the dealer and the contractor, whose standing in the building world practically enables him to dictate terms in the absence of any rule among the dealers to the contrary.

Here, the question of "The bad habit of extending credits and terms beyond what is regarded as standard practice," does not apply, except for some tentative drastic action to correct what in the abstract appears an inconsistent hardship on the dealer. However, you are reasonably sure of eventually getting your money, although you have been subjected to a disadvantage in the deal and have been compelled to assume a financial obligation, which rightfully should have been borne by the contractor.

It is when dealing in smaller transactions and with contractors or customers of less responsibility that we are confronted by the problem of extending credits beyond reasonable limits, yet what fast rule is there to indicate where credit shall begin and where cease?

As I intimated in the beginning of my remarks, there is little or no tangible asset presented to serve as a basis on which to extend credit. In treating with this class of patrons, the dealer needs to possess a keen insight into human character. You must study your man—take his mental and moral measure—judge for yourself whether he is a risk worthy of your confidence. In the sharp competition for trade a dealer will often take chances which a more conservative business judgment would condemn. Having once opened the golden flow of credit, he will often hesitate to cut off the supply, even when slow or deferred payments should admonish him he has passed the limit of safety. This weakness puts a premium on doing business with contractors who are not strong enough to justify it and imposes a handicap on those dealers who are endeavoring to do business on safe lines.

The result is, diminished legitimate profits and, in too many instances, the wrecking of business concerns which have been drawn into the vortex of ill advised credit extension.

In the final analysis of the proposition, the answer seems to be a co-operative credit system. Without it there is no possibility that the present defects in the methods of conducting the builders' supply trade can be eradicated and a more business like policy effected. The supply

man, from the smallest to the largest, must learn and practice the methods which prevail in other lines of business. There should and must be a credit association formed, allied or a part of this organization, national in its scope, which will place every material man in a position to know something definite about the financial standing of the man with whom he is dealing—to become acquainted with his resources, his past record, his future prospects, his integrity and his putative ability to meet his obligations. In almost every other line of business this method prevails. It has been adopted, I am gratified to learn, in the supply trade in isolated instances in different localities with more or less satisfactory results, but in a majority of cases, the decision of giving or of withholding credit rests upon individual judgment and that formed after an investigation, necessarily more or less superficial, because of the lack of concrete and cumulative facts.

Without an organized credit bureau, the practice of extending credit must be largely a matter of guesswork. There must be co-operation, and co-operation of the honest kind. To illustrate what I mean by co-operation of the honest kind, I will mention an incident. One supply man sometime ago, interviewed a competitor who had applied to the first for a line of credit. "Well," said the dealer, questioned, "I've sold him considerable material and he has paid me all right, except for a small balance. I guess you're safe in giving him what he wants."

On the strength of this recommendation the credit was given. It turned out the "small balance" amounted to about \$1,000, which was subsequently collected, and the dealer who furnished the material after the other fellow had shut off credit, became the goat. The dealer who gave this information was in a way truthful, but he was not wholly honest. The report did not disclose actual conditions, it was, in fact, purposely misleading with a view of shifting the credit from his shoulders to another's.

A properly organized credit bureau would obviate the object of any such ex-parte statements and would supply the inquirer with the facts, warranted by the true financial standing.

So much for the review of conditions. When we come to attempt to determine definitely "What is a reasonable time limit on discount?" or "What is a reasonable time limit for payment of face of bill?" we reach the hazardous passage of conjecture. On the question of discount, if we follow the practice in vogue among manufacturers, the limit of time when discount should be allowed is ten days, or at the outside fifteen days on all bills purchased. The time limit for payment of face of bill should not extend beyond thirty days subsequent to the month in which it was contracted. An important consideration enters here. If the dealer is carrying any bank accommodations, and there are few dealers who are obliged to give extensive credits but must resort to this source for capital to keep the business running smoothly, these accommodations are interest bearing—a drain which if permitted to assume any great proportion, sucks out the meat of the profit. Practically, you are paying interest on the overdue charge accounts you have on your books, unless you exact from the debtor an interest charge equal to that you pay the bank.

Now, we all know that a rule of this kind is not generally adhered to. There are circumstances which in a greater or less degree control the conditions of credit. The question is, "Can a hard and fast credit rule be made effective in the supply trade? Is it feasible? Practical? Can

or would it be lived up to?" I, for one, believe it not only possible, but essential to the stability of the business. To make such a rule effective would require a pledge from every man in the trade to adhere strictly to the provisions of the agreement.

One other point, I wish to bring to your attention in connection with a safe and sane method of trading is a study of the cost of doing business as a credit factor. The age of estimates and guessing belongs to the past. This is an age when competition forces to the front the neglected truth that all cost must be provided for before there can be a profit. The dealer who fails to take into consideration every detail of cost will eventually find himself up against a losing game. Without this consideration, competition becomes ruinous and demoralizing, ruinous to the dealer who fails to apply the rule, and demoralizing to the trade based on safe lines.

In conclusion, I would suggest:

A fair field and a square deal to all;

The possession of a knowledge of the cost of doing business before computing profits;

To remember that competition is competition only when it shows a profit to the seller;

Don't hamper business by withholding credit. Give a customer all the credit he is entitled to, but first find out the amount;

A more equitable arrangement with contractors, which will not compel the dealer to shoulder more than his share of responsibility in financing a contract;

The creation of a co-operative credit system which will enable the dealer to obtain the fundamental facts concerning a customer, so that he may reach a correct opinion as to how far it is safe to extend credit;

Finally, that loyalty and honor actuate every member of the association in the conduct of business, that competition may be honest and every man come into his own.

Gladly Acknowledged that to the Credit Man He Owed His Prosperity.

About three years ago a man in Wisconsin opened a retail store with a very small capital in hand. But he was an open-minded man and accepted with good grace the advice which came to him from a prominent Milwaukee credit man who checked his first large order. The credit man knew the store this merchant purposed opening was fairly well located to attract business but that that would make no difference unless policies were adopted that most inexperienced men overlook.

He therefore told the young merchant he must know every week, certainly every month, just what his condition was through proper inventories, must know his costs and figure upon fair profits, no matter what neighbors might be doing, must keep good books of account and hold credit granting down to the very minimum.

It was pleasant for our friend the credit man to see the merchant carrying out these primary rules of success and especially satisfactory for the credit man to hear appreciatively from him one day as follows:

"Give my best regards to the credit man, I forget his name. The reason I say this is that he gave me some good advice when I first

started that I will never forget, and I have always worked along the lines he advised me to take, and I find my business growing each year. And I wish to thank the house for its kindness and for prompt shipments."

It is pleasant to give advice when you feel it is not being cast upon the winds. Expressions of sincere appreciation are rare, they do not often fall to the lot of the credit man.

F. J. Hopkins, of Minneapolis, on Retailers' Insurance Interests.

F. J. Hopkins, of the Minnesota Association of Credit Men, made an address before a convention of the Retail Hardware Men's Association held in St. Paul during February. Mr. Hopkins covered, in his address, important items which the retailer needs to know regarding his policy and urged his hearers to give greater attention to fire prevention in their various communities. On this point what Mr. Hopkins says is so important that it ought to be read and digested by all credit grantors. He said:

"Insurance companies pay no losses from their capital, and when you find one that does, you don't want them among your companies. The premium pays it all, and as the public furnishes this premium, every thoughtful man cannot fail to be interested and, if possible, aid in devising plans for remedy that will reduce losses, for only in such a change can reduction of rates be looked for. The cities have progressed far beyond the towns in taking advantage of underwriters' suggestions to reduce premiums. They have invited criticism, have made diligent inquiry as to what would reduce their insurance rates, and have in many instances made an outlay of large amounts to install in their establishments the latest known and best preventatives of fire, and by so doing, have enjoyed a decided cut in premium rates.

The country towns as municipalities have done little or nothing, and beyond improving their structures, individuals have accomplished little that would warrant insurance companies in relieving them from what has seemed an exorbitant rate. In many instances dealers have thought it wise to fight the insurance companies, believing that this would accomplish the result, but it generally fails to bring relief, and in my judgment, the time has come when the subject should be given the fullest consideration, when every town, should have a fire insurance board composed of its leading and most aggressive business men, who will be given power to restrict buildings of a hazardous nature; who will be permitted to make inspection, and who will study conditions and requirements of their towns with the idea of preventing fire loss; who will not permit rubbish or litter of any kind to accumulate; who will help educate you hardware men, that great danger lurks in wiping up spilled oil with waste or old rags, and then throwing them in the corner; who will know that at a certain point in a block a fire wall should be built to protect the town from a general conflagration; who will prohibit the use of wooden shingles on any building to be erected, forbid the use of friction matches, which only require a step to set them off, or other combustibles carelessly handled; who will make you repair your cracked chimneys, and see that your electric wiring is fully inspected; who will require a line of hose convenient to a pump or hydrant; who will suggest a water barrel and bucket at a certain point known to all in your store and who will take sufficient interest in the matter to see that the barrel is filled, and kept so.

When this is done or you appoint yourself a committee of one to see that your own property is looked after in the most careful manner and that

you possess the best facilities obtainable at this time for fighting fire or preventing it, then and then only will you enjoy rates that will not seem burdensome.

"This is no dream or fairy tale, but is dollars to you and possible in this state. It is a matter that you have neglected entirely too long. I have no doubt that any board manager of our large cities, if properly approached with sincerity plainly stamped on the face of your inquiry, would gladly give you a list of suggestions to be followed, that would, in due time, bring you rate reductions.

"I believe that insurance companies are, as a class, eminently fair. They expect and hope to make money, and each and every one of them desire so to conduct their business that they will be in a position to meet their losses without calling upon their capital or surplus. The capital of insurance companies is ever at hazard. One great conflagration may wipe out years of earnings. Their treasuries annually are called upon to pay millions through loss by the direct crime of arson. They ever consider the moral hazard and all other conditions coupled with past experience in making rates.

"If your rate is high, I believe, in almost every case, there is justification for it, and you cannot fail to have observed that when some of your neighbors transfer their business from an old frame building, that they have occupied for years, into a new brick or concrete structure, that they enjoy a change of rate, in some instances one-quarter of what was formerly paid. I am, therefore, forced to the conclusion that the solution of this problem of rates and a great reduction in this annual waste of property lies largely in the hands of the business public scattered over our country, and that with proper organization and diligent effort our losses can be cut in half. As soon as this is done your rates will follow in like ratio.

"But referring to my real subject, 'Insurance as a Basis for Credit.' Why is insurance required in many cases? It is for the reason that without it, man would be unable to pay his debts in case of fire, and the jobber has learned by experience not to take this risk. With the man of more liberal means who may have outside property and will not insure, he is declined for the reason that a fire puts him out of business, in all probability destroys his most tangible property and would require creditors to rely on outside holdings, doubtful of realization, requiring long time on which to recover their indebtedness. In fact, fire insurance has become such a recognized necessity in connection with business that the man who is without it, and refuses to obtain it, is considered '*Non compos mentis*,' and this class is very small, but the great want is more of a good thing, and few carry enough.

"Every credit man handling a large number of accounts is yearly called upon to witness the pathetic scene of some old-time and valued customer who may have labored for years to get together a property, standing by the ruins just able to pay his debts or even short of the amount, having reached the time of life when he cannot 'come back.'

"As many of you may know this is the season of year when the jobber makes inquiry from his customers for their annual inventory statements.

"Desiring to give you a practical example based on facts as to results in this state and those states adjoining, I find in looking over the Minnesota statements that have come to our office since January 1st numbering 123, that they represent stock values of about \$831,000, and

that there is carried as insurance thereon \$544, 950, or practically 65 per cent., which I am satisfied is above the average of Northwestern states. We have received from North and South Dakota, Montana and a few from Wisconsin, 227, representing stocks of goods to the value of \$1,917,000, on which there is insurance of \$1,097,000 or 57 per cent. No statement from Minnesota which has reached our office this year, shows any business without some insurance. We have received two from Montana where they were carrying no insurance whatever on either stock or building, and I felt it my duty in each instance to advise the proprietor that it would be necessary for him to place insurance immediately if he were to enjoy credit at our hands.

"I wish to impress upon you that this is a very large proposition. It is engaging the attention of the best brains and the energy of the strongest men in our country. Fire retards this nation in the accumulation of wealth at the rate of \$1,000,000,000 in every four years. Much of it can be eliminated. Do your best, pay attention to your neighbor and, if possible, make him do his best, as it is the plain duty of every man to put forth his hand to stop the progress of this mighty destroyer."

Those Who are Sworn to Administer Properly the Bankruptcy Law Often, Perhaps Unintentionally, Its Worst Foes.

Our Bankruptcy Law Bureau has been working unostentatiously but with energy in its special field, that of seeking to improve the administration of the great business law of which it has in a sense become guardian. A letter the bureau recently sent to a referee located in an important commercial district, illustrates the sort of corrective work it aims to do. Credit men generally will derive no little satisfaction from reading this letter. Let it be said that there is a fixed determination to carry the matter up as high as is necessary to get results.

LETTER ADDRESSED TO A REFEREE IN BANKRUPTCY.

"As counsel for the National Association of Credit Men in bankruptcy matters, you will pardon me for writing you again on the subject matter of my previous letters.

"Complaints continue to come in with regard to alleged dilatoriness on your part in carrying on the administration of bankrupt estates.

"The National Association of Credit Men and its local branches throughout the United States, numbering a great many thousand business men, feel special responsibility resting upon them to see that the bankruptcy act, which is still upon trial, is administered in its true spirit and intent. It has been through their efforts that the law has been bettered in its provisions, and they stand sponsors, to a great degree, for its right administration.

"Celerity of procedure is one of the important principles of the present bankruptcy law. It is a business law, and should be administered in a businesslike way. One of the great abuses in the administration of insolvent estates frequently is that of unnecessarily prolonged court proceedings. I know you will appreciate this.

"I am afraid, however, that you do not appreciate the seriousness of your present position in these regards. Unless there occurs an immediate cleaning up of your docket with regard to pending cases

that can be cleaned up, and of pending proceedings that can be expedited, I will be under the painful necessity of making direct complaint to the district judge, in behalf of the business men, and perhaps of even taking more serious steps.

"Among other matters to which I will call your attention is that of the ———, wherein there is pending a petition, filed about two years ago, so I am credibly informed, calling for an assessment upon stockholders. No hearing has been had upon this petition and the matter has been allowed to drag, necessarily to the great loss of the estate, since, as everyone knows, such matters lose force every month of delay.

"Again, I would call your attention to the ——— case, wherein objections were filed, heard and submitted, to the claims of the immediate members of the ——— family almost a year ago. I am informed that you have rendered no decision thereon as yet.

"Not only in the above particulars, which seem to me to be scandalously delayed, but also in other particulars, your administration of the office of referee in bankruptcy is being seriously attacked.

"I appreciate that there are a good many good men and good lawyers who are subject to constitutional procrastination in judicial office. Such men should not attempt to occupy judicial office."

Missing Debtor Column.

Those listed here are reported as missing. Any information regarding their whereabouts should be sent to the National office.

George H. Black, formerly in plumbing business in St. Louis, Mo.;

H. E. Yost, in gas-plant business at Mankato, Minn.;

Leon Pitzele, formerly in furniture business at East Chicago, Ind.;

Sam Kitaewich, who dealt in scrap iron, etc., at Erie, Pa.;

Harry Weinraub, formerly doing business as a tailor under the name of Williams, at Dayton, Ohio;

S. Shirek, who was located till January 1, 1910, at 1 Union Square, New York, N. Y., as a resident buyer;

Mrs. A. Ruple, conducting a notion and dry goods store at Elyria, Ohio;

G. Liardi, 2026 Second Avenue, New York, N. Y.;

A. K. Loomis, manager Medina Bridge Works, Medina, Ohio;

J. Cahalin, 60 Oakland Street, Brooklyn, N. Y.;

Wm. Degelmann, 126 Franklin Street, Brooklyn, N. Y.;

H. Greenfield, 606 Marcy Avenue, Brooklyn, N. Y.;

Philip Withdorchis, Brooklyn, N. Y.;

Charles W. Grant, contractor, La Crosse, Ind.;

O. L. Stie, Florence, Ala.;

John Joseph, Auburn, N. Y.

Not the Order But What's Back of It.

When you see a stuffed moosehead fastened to the wall it does not necessarily mean that the critter's body is in the room on the other side of the partition.

So when you find a nice fat order on your desk it does not always mean that the parties placing the order are back of it with good character, ability and capital. Better investigate your customer through the credit exchange bureau.

The Chicago Association of Credit Men Offers Its Assistance to the United States Attorney in Unearthing Fraud.

The following correspondence passing between United States Attorney E. W. Sims and M. C. Rasmussen, manager of the Adjustment Bureau of the Chicago association, will interest credit men all of whom are grateful for the apparent activity of the Department of Justice in bringing crookedness in bankruptcy to light where it can be punished:

"Edwin W. Sims,
United States District Attorney,
Chicago.

"DEAR SIR:—In articles appearing in the newspapers and trade journals of recent date, mention has been made of the activity of the Department of Justice in the investigation of fraud in connection with bankruptcy cases, and inasmuch as this association has for its object among other things the protection of creditors against such fraud and the conviction and punishment of those guilty, we respectfully tender you not only our co-operation in the work, but the command of such facts and information as may have been accumulated by us in this connection from time to time. We have in our files the names of certain individuals whose operations, past and present, we believe will be found to bear scrutiny, and with the desire that full justice may be done, we stand ready to render your department any assistance within our power.

Very truly yours,

"(Signed) M. C. RASMUSSEN."

"M. C. Rasmussen,
Manager Chicago Association of Credit Men,
218 LaSalle Street, Chicago.

"DEAR SIR:—I am in receipt of yours of the 8th inst., tendering this office your co-operation in the work of investigation of fraud in connection with bankruptcy cases, and the command of such facts and information as may have been accumulated by you in this connection from time to time, for which I thank you. I will be glad to have you give this office any information you may have showing violation of the United States laws with reference to bankruptcy and other matters.

Very respectfully,

"(Signed) ... E. W. SIMS,
"United States Attorney."

Every credit man who takes pride in his profession should have the bound "Bulletin" for 1910 on his shelf of business books. Again, every member of the Association who is leading off in any branch of its affairs should provide himself with a bound indexed copy of the 1910 "Bulletins." They will be impressed with the real activity of the Association in every one of its branches, from the prosecution of fraudulent failures through the whole gamut of credit man's interests. The year 1910 was fruitful of some of the best writings on general credit topics yet published and for the man who is making the most of the credit man's profession and endeavoring to build on broad lines, this volume is indispensable. This year the wealth of material in the "NOTES" and "ASSOCIATION NOTES" will be opened up through the index. Also are given under their proper headings, names which credit men were warned against during the year. The price is but \$1.25 per volume, delivered.

Attention is called to the stickers issued by the National Association of Credit Men, for the use of members in educating customers to the unfairness of taking from invoices in rendering payments, discounts not earned through prompt remittance.

Two forms of stickers are issued differing slightly in wording. One printed in red reads as follows:

DISCOUNT FOR CASH is a Premium for
PROMPT PAYMENT within the time and upon
the terms as agreed, and when **NOT EARNED**
should not be claimed.

Please add to your next remittance \$.....

Issued at the Instance of
NATIONAL ASSOCIATION OF CREDIT MEN.

The other printed in blue reads as follows:

DISCOUNT FOR CASH is a Premium for
PROMPT PAYMENT at the time and upon the
terms given, and when **NOT EARNED** should
not be taken.

Kindly remit \$.....at once.

Issued at the Instance of
NATIONAL ASSOCIATION OF CREDIT MEN.

They are put up in rolls of 500, at the price \$1.00 per roll.

The argument for fair play on these stickers is brief but to the point and many credit men are finding them distinct money savers for their houses.

By this time all credit grantors should have gathered in the annual financial statements of their customers based upon actual inventories. It is a well known fact that some merchants do not have a fixed rule as to the date of their inventorying with the result, first, that even periods for comparison are not had and, second, that postponement of good intentions becomes so long that it is decided to put off the inventory to another year. Credit grantors ought to object strenuously to such omission. No merchant knows where he is steering his ship unless he takes, at least once a year, an honest inventory. Nothing is so important as this in helping the merchant shape his course. The man who honestly inventories stock is very apt to face honestly the other features of his business, taking account of methods, habits and prospects in order to prepare for a better year's record.

COLLECTIONS AND HOW TO HANDLE THEM.

By A. W. MORRISON, SALT LAKE CITY, UTAH.

Little has been written on the subject of collections, yet there is no department of business more worthy of consideration, or in which there is more room for improvement.

Energy is probably the greatest requisite for the manager of collections. He must be eternally at it. He must be an apt correspondent, a fair lawyer, a practiced accountant and a sound business man. He must be able to judge human nature, be a man of quick action, but with power to deliberate. He requires infinite tact and diplomacy. He must not be antagonistic. Neither must he fail to appreciate the value of courtesy. He must be dignified, considering both his personal dignity and the dignity of the firm he represents. The collector must positively, exercise the faculty of confidence. His personal dignity and confidence should inspire him to approach the debtor in such a way as to merit the debtors respect and esteem. He should be thoroughly posted as to the methods and rules of his firm and the account he represents, be accurate, firm and optimistic. He must be prompt and obliging. He must emphasize his confidence in the debtor and never allow him to think he has the slightest doubt.

About two years ago an influential doctor was prominently connected with a defunct corporation whose liabilities reached several thousand dollars and whose assets would not pay the necessary cost of bankruptcy proceedings. A few months had passed, the immediate effect of such embarrassment had quieted and there was time to reflect. A certain firm held a claim of several hundred dollars against this defunct institution. Its collection manager called on the doctor, made himself acquainted and advised him of his errand. He exhibited the utmost confidence in our professional friend, made several visits and each time his attitude showed keener confidence. This attitude was so overpowering that the doctor was absolutely forced to pay the account though he had to borrow the money to do it. In chronic cases I repeat confidence should not only be shown toward the debtor as a man, but also in his ability.

A generation ago competition was not so keen as to-day and credits much less extensive, hence collections were much less thought of, but as these conditions are now reversed, competition being so keen and the bulk of business being carried on through the credit system, the manager of collections as well as the individual collector must be a man of ability. Being a good judge of human nature he should be quick to extend sympathy for sympathy begets confidence. He must be a likeable sort of fellow: he must know how to smile genuinely and often. The man who can walk into an office with a cordial friendly smile, and a happy, "How are you?" gets the money where the "frozen face" would have to wait.

Collections should not be allowed to drag. The terms of the house should be thoroughly understood and impressed. If an extension is required let the debtor ask the favor; do not grant it unasked.

The collector should be made to feel that he is the representative of his house and that the public's impression of it is gained quite as much through him as any salesman. Frederick K. Park, president of F. K. Park & Co., accountants, states that collectors as a rule are paid too little. Their salaries are so small that the positions do not attract men

of sufficient ability to handle properly the responsibilities falling to them. The man who represents his house to the public should have the same respect both as to rank and wage, whether he asks for an order or a check. It is often a much more difficult thing to get the money than it is to get the business. The collector must learn to retain the good will of the customer. He must feel that though he wants the ten dollars owing his house, he also wants the customer to owe it many more ten dollars in the future.

There are two ways of handling collections, one by direct personal solicitation, the other by correspondence. Where collectors are used the trade should be educated to mail their remittances as their time is valuable and should be put in on delinquents.

The day an account is overdue it should have attention no matter how responsible the firm is or how long it has been on the books. The collector should keep in mind that his firm has a system and that it must be adhered to regardless of how others do. The fact that others grant liberal favors is no excuse for the collector to avoid his duty. He should impress upon the debtor the importance of complying with the terms of the house he represents.

Each collector should be held responsible for his territory. Each should be backed by his firm. All available information should be given the collector. Articles suggesting new thoughts and ideas pertaining to his work will instill new life and energy in him, will stimulate him to better results and the collection manager should always be on the outlook for them.

In handling collections by correspondence, the same general tone should pervade as in personal solicitation. Circular letters have a tendency to create distaste and are inadvisable in important matters, while a carefully prepared personal note exhibiting politeness, firmness and confidence creates within the recipient a cheerful, respectful feeling, which usually accomplishes the desired result.

Accounts may be divided into four divisions: Before maturity, at maturity, after maturity and past recovery. When the account reaches maturity, it is under the jurisdiction of the collection department and should have attention from that moment on.

Accounts after maturity may also be divided into four divisions: Careless, chronically slow, temporarily hard up and insolvent. Each delinquent account should be mentally labeled under one of these heads and handled accordingly. After an account reaches a certain stage of delinquency, there comes a time for action—decisive action. The collection department cannot spare time to devote further attention to it and it should be turned over to a carefully selected collection agency, preferably one doing a general law business.

"BURNING SUBJECTS"

IS THE TITLE OF SIX LEAFLETS ON FIRE INSURANCE

Issued by the Association

HAVE YOU SEEN THEM?

**THEY WILL SIMPLIFY YOUR FIRE INSURANCE
PROBLEMS**

Opinions on Points Brought Before the Legal Bureau.

Here are presented questions of general interest referred during the past month to the Legal Bureau of the Association. The bureau is for the use of the entire membership without charge.

I.

PROPOSITION.

A house sells Brown & Ward of Alabama a bill of goods. Sixty days after the maturity of this obligation the claim is placed in the hands of an attorney for collection. One-half of the amount is recovered, after a month's duration, at which time Brown withdraws, selling his interest to Ward, who later winds up the business in the bankruptcy courts. He makes a settlement of 20c. which is, of course, accepted, being better than nothing at all. Now, the question is—Can the creditor hold Ward, who is now clerking at \$100 per month. Does the law of Alabama permit attaching his salary?

OPINION.

If a house sells a firm a bill of goods and subsequently one member of the firm withdraws, selling his interest to the other member, he does not thereby relieve himself from personal liability for the purchase price of the goods. If, however, the other member of the firm makes a settlement of the entire bill at 20c. on the dollar, then the retiring member of the firm is no longer personally liable.

It is rather a difficult matter in Alabama to garnishee a debtor's salary. The Code of Alabama, 1907, Section 4165, exempts wages, salary and other compensation of laborers or employees residents of the state for personal services to the extent of \$25 a month. Section 4164 of the same code allows an exemption of personal property to every resident of the state to the amount of \$1,000.

The case of Enzor & McNeil vs. Hunt, 76 Ala., 595, holds, that if a debtor is receiving more than \$25 a month as salary he may claim the \$25 under Section 4165, being the salary exemption section, and may claim the balance of his salary as being exempt under the \$1,000 personal property exemption section. This case is cited with approval in the case of Ralls vs. Alabama Steel & Wire Co., 143 Ala., 620.

The effect of these decisions, therefore, is, if a debtor has no other property than his salary, to make it very difficult to garnishee that salary.

II.

PROPOSITION.

What are a seller's rights when a customer places an order and it is filled promptly and thirty days afterwards the customer advised that he has cancelled the order on account of non-delivery by the railroad company. The fault is not the seller's only the railroad's.

OPINION.

When goods are ordered from a concern, delivery to be made F. O. B. on cars at the seller's place of business, then according to the decision of a great majority of the states of the Union delivery to the carrier is delivery to the purchaser and the purchaser will have to bear any loss that may arise, and should, therefore, be the one to make claim against the railroad.

Of course, this rule would be subject to any modification by agreement between the purchaser and the seller.

III.

PROPOSITION.

How can we draw up a bill of sale showing the transfer of open book accounts and in the instrument incorporate something like the following: "Know all men, etc., for valuable consideration, etc., have sold and conveyed to.....all my outstanding book accounts as per itemized list following; the intent of this instrument being to convey and secure to the.....(firm name)..... the same amount of outstanding accounts that may be due and payable to me accruing, or to accrue up to date this instrument is filed for record."

Would an instrument of this character be a binding obligation on the customer, or how can we draw it so that this result may be obtained?

OPINION.

The Legal Bureau in reply to the above offers the following bill of sale which can be recommended for general use to show a transfer of open book accounts:

"KNOW ALL MEN BY THESE PRESENTS, That (I or we), (name of individual, firm or corporation transferring) party of the first part, for and in consideration of the sum of _____ Dollars, lawful money of the United States to (me) in hand paid, at or before the ensembling and delivery of these presents by (name of individual, firm or corporation to whom transfer is made), party of the second part, the receipt whereof is hereby acknowledged have (or has) bargained, and sold, and by these presents do (or does) grant and convey unto the said party (or parties) of the second part, (his, their or its) executors, administrators and assigns (or successors or assigns) all (my, our, its) outstanding book accounts an itemized list of which is hereto attached marked Exhibit A, the intention of this instrument being to transfer, convey, sell and set over to the said party (or parties) of the second part all the outstanding accounts due (me, it or us) at the time of date of this instrument and those that may accrue and become due up to the day of the filing and recording of this instrument.

TO HAVE AND TO HOLD the same unto the said party of the second part, his executors, administrators and assigns forever. And (I, we or it) do for our heirs, executors and administrators, covenant and agree, to and with the said party of the second part, to warrant and defend the sale of the said outstanding book accounts hereby sold unto the said party of the second part, _____ executors, administrators and assigns against all and every person and persons whomsoever.

IN WITNESS WHEREOF, _____ have hereunto set _____ hand
and seal the _____ day of _____ in the year one thousand nine
hundred and _____
Sealed and delivered _____
in the presence of _____"

This should be acknowledged in the form required by the state in which it is executed. After filing and recording, notice should be sent to the persons whose names appear in the bill of sale as owning the

accounts, as the bill of sale is in the nature of an assignment and no assignment is good as against third parties unless they receive notice before paying the original assignor.

IV.

A member writes that he made a shipment to a concern prior to receiving information that it had failed but after the concern had gone into the hands of a receiver. The goods were delivered and receiver takes the position that the shipper is simply one of the creditors and will neither return the goods nor render payment therefor.

The Legal Bureau in reply declares that the question here involved is one presenting great difficulties and calling for a careful search of authorities but it has been held (*In re Neff*, 19A. Br. Rep. p. 23, at p. 26) that "bankruptcy is a complete disablement from performance and the equivalent of an out and out repudiation, subject only to the rights of the trustee and his election to rehabilitate the contract by performance."

"It would seem, therefore," says the bureau, "that if a shipment were made after a purchaser had gone into the hands of a receiver and prior to the receiving of information by the shipper that the purchaser had gone into bankruptcy, that the shipper could recover the goods from the receiver in bankruptcy, unless the receiver desired to take the goods and pay for them in full.

"While insolvency of itself is not enough to give the seller the right to disaffirm a contract, still if it can be shown that the purchaser was so insolvent at the time he purchased the goods that he knew he could not pay for them when payment became due, or if it can be shown that he never intended to pay for the goods, then the seller may rescind the contract on the ground of fraud and recover his goods either from the purchaser or from his receiver or trustee in bankruptcy. (*Haywood Co. vs. Pitts Industrial Iron Works*, 19A. Br., p. 7-8.) This is the general rule on the subject.

"In the *Haywood* case, just cited, C took an order for lumber from the bankrupt to be delivered October 1, 1907, the order being given about October 6, 1906. In December, 1906, the bankrupt put a mortgage on all of his real property for practically its full value, and in August, 1907, the bankrupt assigned practically all of his assets. The lumber was delivered in October, 1907, and on November 2, 1907, the bankrupt submitted a statement to his creditors disclosing insolvency. This statement was submitted almost immediately after the receipt of the lumber. C demanded the lumber back from the receiver, who had it in his possession, with which demand the receiver refused to comply. The court held that fraud was shown and that C was entitled to recover back his lumber from the receiver.

"In such cases reclamation proceedings should be begun immediately in the bankruptcy court in which the petition is filed. The papers in this proceeding should give all the information that the purchaser has or can acquire in reference to the insolvency of the purchaser at the time the order was taken, and should set forth in detail any representations that the purchaser made as to his solvency at the time he gave the order."

V.

A member asks: What is the intent and interpretation of the clause in the bankruptcy act with relation to receiving a payment which afterwards turns out to be a preference, and then proving

balance of claim? We have an instance where the bankruptcy act is being quoted as authority to bar us from a dividend in an insolvent estate. Debtor owned two stores, one of them handling our line exclusively. Acting in good faith, because the store was badly managed and was losing some money, we took it over at one hundred cents on the dollar recently, credited the value of the store on that basis upon our account, and took a note for the balance. At the same time debtor furnished us with a sworn statement of his business in the other store and it showed a substantial equity. Now it develops that the man is crooked and that his other store is insolvent. Certain creditors argue that in order to participate in dividends we must hand back the store on the theory that *debtor knew* he was insolvent when he made this preferential payment to us, as it were. We hold that *we did not know* of any insolvency and of course we have the sworn statement to prove that we did not and that we should not, therefore, suffer.

What relation has the above transaction to the preference provisions of the bankruptcy law?

OPINION.

Our member is on the right track. It would appear from his statement that all the elements of a preference exist except one, reasonable cause to believe that the transaction would effect a preference.

Whether or not the trustee could recover the preference will depend upon the facts of the case relative to the existence or non-existence of reasonable cause for belief on the part of the creditor receiving the preference or his agent, that the transfer in question would have the effect of giving our correspondent a greater percentage of his claim than the other creditors would have received. It is not necessary that the trustee prove the preferred creditor *knew* of the insolvency, and if the facts are strong enough to have "put the creditor upon inquiry," then he may be chargeable with "reasonable cause for belief."

Although it requires a very full knowledge of all facts to give an opinion yet there is this that can be said, that our member might as well stand pat and let the trustee start suit, because even if the trustee finally prevails and is adjudged entitled to recover the property, yet there is no penalty upon the preferred creditor in doing so and the preferred creditor will be entitled to his dividend along with the other creditors, on the whole amount of his claim, not merely upon the balance of it. Such being the case, there is no object in yielding at this time, even if the facts seem to indicate that the preferred creditor actually did have "reasonable cause for belief," unless a pretty good settlement is offered.

The One Cent Letter Postage Movement Fostered by Old Organization Credit Men.

There is a large number of credit men located in all parts of the country who are interested in a movement recently launched for crystallizing sentiment in favor of a one cent letter postage rate. The fact that prominent credit men are leaders in the movement may be a reason for this interest. An organization known as the One

Cent Letter Postage Association has been formed, with headquarters in Cleveland. That city was chosen because the initial officers of the association are Clevelanders. Charles William Burrows, is president. George T. McIntosh, former head of the McIntosh Hardware Corporation, of Cleveland, is secretary and treasurer. Both of them are practical business men who are known throughout the country for their knowledge of postal matters.

With an advisory board which includes prominent business men throughout the country, the association is reported to be growing in importance constantly and preparing to carry on an active fight in congress for a reduction of the rate on letter-postage from two cents to one cent. Credit men who supervise the spending of large sums for postage annually will, of course, realize that such action will mean the cutting in two of the present expense.

The association's work has received the cordial indorsement of banking interests and trade organizations throughout the country. At the meeting of the National Board of Trade, at Washington, in January, where Mr. McIntosh was a delegate, one cent letter postage was urged upon the federal government.

Credit men, after familiarizing themselves with the aims of the organization are asked to affiliate their firms with the movement. To secure a reform of this character it will be necessary to bring unusual pressure to bear upon congressmen when a one cent letter postage bill is introduced. No lobby is to be maintained at Washington but by organizing the business houses in the country which will be chiefly effected by the reform, a solid front will be maintained so that congressmen will find it to their political interests to aid this movement.

"It means millions of dollars annually to business men of the United States to secure a one cent postage rate," said Secretary McIntosh recently, "many big banks and business houses have postage accounts ranging from \$5,000 to \$50,000 annually, while the sum spent by the mail order houses is almost fabulous.

"The profits on letter or first-class mail for the year 1909, the last year for which figures are available, were \$53,674,194.62, and in 1910 about \$59,000,000. These huge sums were expended in paying the awful shrinkage in second-class mail, where the deficit was \$64,128,026 in 1909, and about \$70,000,000 in 1910.

"It was never intended that the government should make a profit from first-class mail matter, yet at the present time the United States postal department is securing a revenue of 84 cents a pound for carrying letters (same averaging over forty to the pound) the cost of which is probably less than half that sum. The actual profit made is 66 9-10 per cent. The profit on post cards is considerably larger. There is no just reason why the government should not reduce letter postage to one cent. Even then the government would be benefiting in the deal.

"To draw attention to this injustice is what our association is now doing. It proposes to enlist the support of business houses throughout the United States and to make a concentrated campaign for one cent postage. Merchants and business men are busy persons but it behooves them to assist in this work for it means that they are being imposed upon at the present time. Think of it! First-class mail being carried at 84 cents a pound and second-class at *one* cent a pound! Rather looks as though the business man should wake up to the fact that he is furnishing the government with a very fancy profit to benefit other persons who use the service.

"President Taft, in a recent message to congress expressed the hope that methods of conducting the post office department might be so revised that one cent postage could become a reality. Postmaster General Hitchcock as executive head of the postal department has realized that an injustice is being done to the patrons on the first-class mail service, and that revision should be made as speedily as possible."

Credit men who are interested in this subject should write for literature and application blanks to George T. McIntosh, the secretary and treasurer, at 506 Chamber of Commerce building, Cleveland.

ASSOCIATION NOTES.

Baltimore.

"The Relation of the Banker to the Depositor" was the subject under discussion at the monthly dinner of the Baltimore Association of Credit Men, held February 14th, Waldo Newcomer, president of the National Exchange Bank, being the principal speaker.

The gathering was highly representative of every line of business in Baltimore, especially of the banking fraternity. Before regular business was taken up President Boyd called upon Secretary Buck to tell about associational progress. Mr. Buck brought out that since the election of President Boyd, thirty-five new members had been received into the organization and twelve new members into the information bureau. He said that "Watch the Baltimore Association of Credit Men Grow" is the present cry and it bids fair to be caught up by every member of the organization and be made an inspiration for more earnest work on the part of all.

President Boyd then introduced Mr. Newcomer, who began by telling of the benefits brought by the bank to the depositor and the benefits conferred by the deposits on the bank. He then told of the peculiar banking conditions in Baltimore, where deposits are small in comparison with capital invested, due, he thought, in a measure to the failure of the city and state to encourage new industries to locate in and around Baltimore. Mr. Newcomer declared that it was most unfortunate that manufacturers willing to come to Baltimore are confronted with a system of heavy direct taxation, heavier, in fact, than similar industries located in other cities. He declared that the situation is so acute for Baltimore that he would advocate the appointment of a tax commission of five men broadly representative to examine into the whole vital question. Following his remarks there was a lively discussion of the situation as presented by Mr. Newcomer, a discussion which has since been taken up ardently by the business men and press of Baltimore.

Boston.

The Boston Credit Men's Association held a very successful meeting February 24th, in which New England individual members of the National Association were well represented. Among the latter were R. S. Hitchcock, of the Simonds Mfg. Co., of Fitchburg; B. M. Bennett, of Daniels-Cornell Co., of Worcester; H. S. Wellman, of Estey Organ Company of Brattleboro; L. D. Cole, of Towle Mfg. Co., of Newburyport; Glenn C. Gould, of Dunham Bros. Co., of Brattleboro; Chas. E. Tyler, of M. N. Arnold Co., of North Abington.

President Howard in his opening remarks referred to the fact

that so many of the National Association members were present and urged that they feel that they were at all times welcome to share in the pleasures and discussions which are incident to the Boston meetings. He further said the Boston association would be glad to include on its mailing list all New England credit men allied with the National organization.

The principal speaker was State Treasurer Elmer A. Stevens, who scored the so-called magazine muck-rakers who, as he asserted, know little and care less about the real facts in describing governmental operations. Mr. Stevens showed that Massachusetts is run on business principles and that charges of extravagance are due to a failure to consider the changes in the laws and public policy, by which expense of various departments must needs increase year after year. He pointed to the item of care of the insane and feeble-minded which previously fell to cities and towns and now is a burden upon the state with a result that \$2,000,000 went last year to that account.

"The total taxable property of the state," Mr. Stevens said, "in 1900 was \$3,878,671,070, and in 1910 was \$5,027,154,806. State expenditures in 1900 amounted to \$1.85 per thousand on our total valuation, while in 1910 it amounted to \$2.35 per thousand. Deduct from the expenses of 1910 the \$2,000,000 which would have been paid by cities and towns under the old law, and we have an expenditure of \$2 per thousand on our total taxable property, showing that state expenditures based on each thousand of taxable property have only increased 8 per cent."

Buffalo.

Franklin H. Wentworth, secretary of the National Fire Protection Association, addressed the February 15th meeting of the Buffalo Association of Credit Men on "Reforms in the Fire Insurance Business." Besides the credit men in attendance there was a large delegation from the Buffalo Association of Fire Underwriters.

Before Mr. Wentworth's address President Dolphin offered a resolution favoring the reciprocity agreement between the United States and Canada, then before Congress for action. The resolution was unanimously adopted.

In his address Mr. Wentworth explained that the hue and cry against fire insurance companies and the demand for state-made rates are due to high premium costs, but the people have not yet learned to grasp the idea that the right end at which to begin the attack is the loss end. It must, he said, be a matter of comprehensive and concerted education to show all insurance buyers that rates rest directly upon losses, and as the former lessen so will the latter.

He urged that the men of our great fire departments be used not only to extinguish fires but every man of them to inspect basements, attics, courts and alleys, with a view to clearing cities and towns of dangers.

Chicago.

The Chicago Association of Credit Men held the most largely attended regular meeting in its history, February 20th. Among the speakers were R. Cole, of Yawman & Erbe Mfg. Co., who gave an illustrated lecture on credit department methods. Everybody followed Mr. Cole's address with the deepest interest.

H. H. Marcuson followed on "Modern Office Methods in Practical Use." He illustrated his address by means of forms distributed among

the audience so that all were able to grasp quickly his explanations and descriptions.

Secretary Wentworth, of the Fire Protection Association, talked on the "Significance of our Fire Waste," a problem which he showed is of vital importance to every citizen.

Guests of the association at this meeting were Harry New, vice-president, Chas. E. Meek, secretary-treasurer, and D. L. Sawyer, chairman of the Investigation and Prosecution Committee of the National Association of Credit Men.

Cincinnati.

"Fire Waste" was the theme of discussion before the Cincinnati Association of Credit Men February 24th, with Franklin H. Wentworth, of Boston, as the principal speaker.

Other guests of the credit men were Public Safety Director Scott Small; George W. Cleveland, of the Cincinnati Fire Prevention Bureau; Captain Conway, of the Salvage Corps; President F. H. McAdow, Chicago, and Secretary C. E. Meek, New York, of the National Association of Credit Men.

Mr. Wentworth was the principal speaker and touched upon the losses which Cincinnati had suffered during the past two months and showed how no American city as at present constituted is safe from the conflagration visitation.

President McAdow and Secretary Meek told how the National Association of Credit Men had gotten into this great subject of insurance and was determined, it appeared, to become a mighty factor in solving our fire loss problems.

Cleveland.

The Cleveland Association of Credit Men at its meeting held February 23d had as its guests, E. St. Elmo Lewis, sales manager of the Burroughs Adding Machine Company, and John A. Cline, county prosecutor.

Mr. Lewis' subject was the "New Gospel of Efficiency." He pointed out instances in American business methods in which is shown much loss of power and also gave examples to show where better results than ever are being obtained through greatly reduced labor. He said that though the railroads had done much to discredit Mr. Brandeis in his efforts to show them that they were still a long way from operating their plants in such manner as to secure the maximum of efficiency at a minimum expense, it would have been better for American business if the railroads had taken Mr. Brandeis' warnings more to heart.

"There are many men," he said, "who are able to carry out instructions but few able to do the planning and the country is ready to give consideration to scientific thinkers. The man who is busy doing the work laid out for him has no time to think about the methods of doing it. Our schools do not teach the students how to think or use their judgment. Be the best in your line. If you are not the best find out how the other fellow does the work that you are doing. Do not be afraid to try other methods. Things that are old get sanctified and then you cannot make a change without affecting someone's feeling."

The second speaker John A. Cline spoke on the topic the "Border-

land of Business Ethics," and described three roads: One marked by the statutes, one by the conscience of men, and the third a road between the two. These roads crossed and recrossed each other, he said, and the law often permits men to do things which their conscience does not sanction. He stated that the paths of conscience and of law were becoming more nearly parallel.

Mr. Vanniman, engineer to Walter Wellman on his attempt to reach the North Pole by dirigible and in his attempt to cross the Atlantic, was present as a guest and gave a few minutes talk in which the members were advised of the business side of Wellman's ventures.

Des Moines.

The Des Moines Credit Men's Association held a meeting February 14th and heard John J. Ruyane, of Harris-Erney Company, read a paper on "Retail Credits," and W. A. Lawrenson, of the Jewett Lumber Company, discuss the subject, "Extending Credit to Contractors." Among the guests were several prominent business men of Dubuque.

Detroit.

There was a large outpouring of the business men of the city to hear Secretary Wentworth, of the National Fire Protection Association, address a meeting arranged by the Detroit Credit Men's Association February 16th. Invitations had been sent, by Secretary Campbell of the Detroit association, to the members of every local business body and the response showed how earnestly men are beginning to turn their minds to the great subject of fire waste.

Introducing Mr. Wentworth, President Wm. A. Petzold quoted what an expert in insurance had recently said, that if this country could get its fire losses on a basis approximately as low as in European countries, we should in a decade become the undoubted financial leaders of the world.

Mr. Wentworth told how his organization had begun its work about fifteen years ago, attention being first given to the cotton mills of New England with which insurance companies had had such disastrous experience that it was most difficult to cover them with insurance. He said in those days mills went up like tinder, so first the usual causes of fire were determined and hazardous operations were segregated in separate buildings, floor spaces were divided by fire walls, stairways and apertures were closed, etc. Then came the sprinkler system which, Mr. Wentworth believed, is destined to come into universal use, though it met many obstacles before it reached its present position of favor. Then, said Mr. Wentworth, followed a campaign of fixing upon standards, standardizing in couplings and standardizing in building materials which have been thoroughly tested out. Mr. Wentworth then showed what a high tax is levied on every man and child in this country to meet our fire losses, so that the problem is not a class problem but everybody's whether humble or rich.

El Paso.

At the February 21st meeting of the El Paso Association of Credit Men the Credit Department Methods Committee was in charge and advocated that steps be taken at once to organize for El Paso an Interchange Bureau. There had been considerable discussion of this matter among credit men for several weeks resulting in a growing demand for such adjunct to the El Paso association's work.

Chairman Wright of the committee in charge of the meeting also had arranged for a demonstration at this meeting by experts in book-keeping and accounting of latest methods and had an exhibition of the most modern office devices.

Indianapolis.

The February meeting of the Indianapolis Association of Credit Men, held February 14th, was the most notable since the meeting in November, 1907, when the National officers were present. It was St. Valentine's night and, therefore, most appropriately the first annual ladies' night. After a social hour, dinner was served in the large private dining room, eighty-four being seated at the tables.

The guests of honor were: United States Senator-Elect John W. Kern, Ex-Mayor Charles A. Bookwalter, State Senator Robert E. Proctor and the Rev. F. C. S. Wickes. President Wolfson acted as toastmaster.

In his talk Mr. Kern criticised unjust business interests of the country and pledged himself to support only measures that were in keeping with legitimate issues. He said that the time was at hand when the lawful business of the country must be separated from the lawless and unjust interests, and that when he went to the United States Senate he would cast no vote which might injure legitimate business.

Mr. Wickes pointed out the importance of credit in carrying on the business of the country and consequently the importance of the work of credit men and Mr. Bookwalter in a brief speech emphasized the need of all the people of the city co-operating for the industrial advancement of Indianapolis. Mr. Proctor related some amusing experiences he had had with some of his Italian clients.

Frank T. Day was then introduced as the father of the Indianapolis association inasmuch as he had been the first president of the local organization. Mr. Day closed the meeting with a fartherly talk and the first annual ladies' night was over.

Lexington.

The Lexington Association of Credit Men held its annual meeting February 9th, electing officers for the ensuing year as follows: Joseph Le Compte, president; B. W. Renick, vice-president, and C. L. Williamson, secretary and treasurer. Committees also received their appointments at this meeting.

The meeting then turned its attention to legislation, discussing changes which experience has shown are most needful in those laws in which credit men are interested.

Memphis.

The Memphis Credit Men's Association met on the evening of February 27th and heard F. W. Wentworth, secretary of the National Fire Protection Association speak on our fire waste problems.

Other speakers were A. Grant Mathews, clerk of the United States court, W. F. Dunbar, former secretary of the underwriter's exchange and the Rev. Dr. C. H. Williamson. The officers of the association had arranged that Mr. Wentworth lunch with the local fire underwriters earlier in the day.

Minneapolis.

At the meeting of the Minneapolis Association of Credit Men held February 21st, Price Wickersham, of the St. Paul bar, made an

address on what he termed "the fruitless efforts of the employers' liability and workmen's compensation commission to reach a solution of the problems referred to them by the legislature."

Mr. Wickersham declared that both bills offered by the commission were potential of law suits and that the present commission should be continued to work out a method of correcting existing wrongs rather than of foisting an entirely new system on the state.

The Gillette bill, Mr. Wickersham characterized as un-American in that it takes away the assumption of risk and fellow servant features, and by virtue of its optional status takes away a man's constitutional rights. Both majority and minority bills, he declared, showed evidence of hurried drafting. Preceding his discussion of the bills the attorney gave a history of the employers' liability laws of England and Germany.

It was voted that the president appoint a committee to study out the best methods of distributing Association literature throughout the Northwest trade territory. It was pointed out that the Association now had an excellent variety of literature, all of a highly educational value, and only needing intelligent handling to make the most of it for the good of the trade. Matters pertaining to the convention were also discussed.

Newark.

At the noonday luncheon of the Newark association, held February 15th, President Frank S. Flagg, of the New York Credit Men's Association, gave an interesting talk on the beginnings of the National Association of Credit Men and urged that the great movement which it represents should not be diverted from its original purposes.

Mr. Flagg spoke of the power which the association now wields, a power and influence felt by judges and legislators. He congratulated Newark upon having what is now the eighth affiliated branch of the National organization in size and influence and expressed the wish that because of their proximity the associations of Newark and New York might work in closer touch in all that pertains to their work for betterments.

It was a splendid meeting that the new administration of the Newark association conducted February 21st, with an attendance of 170 called out to act upon important amendments to the by-laws of the association and to hear Julius Henry Cohen, of the New York bar, speak on "Lessons from New York's Recent Cloak Strike."

President Burnett presided and in a brief address congratulated the members upon the steady growth of the Newark organization and asked each one to take to heart a sense of his fair share of the responsibility in bringing the membership up to the 400 mark by June 1st. Mr. Burnett declared this figure represented not an impossible goal but one that could be reached with reasonable effort.

There were then brought to the attention of the meeting amendments to the by-laws to lodge greater powers with the president and trustees. They were unanimously adopted.

In introducing Mr. Cohen, President Burnett pointed to the great service he had rendered business in running down many cases of fraudulent bankruptcy and in seeing many law-breakers landed behind the bars. He declared that credit men should be thankful for the courage which

had made it possible for Mr. Cohen to accomplish much toward purifying business.

Mr. Cohen then took up his subject, the lessons of the New York cloak strike. He sketched the events of the strike and showed how it was finally settled on terms which he believed promised great benefit to all the trade.

The strike, Mr. Cohen went on, came without warning or previous submission of grievances. Some of the factories, the leading ones, he explained, which shortly formed a protective association, had been paying good wages and had provided favorable working conditions. Other places, he declared, were a disgrace to the business and to the country. The manufacturers who had the welfare of their employees at heart, the speaker asserted, suffered by the competition of their unscrupulous rivals and also by the strike, which was no respecter of merit. The most obnoxious demand, Mr. Cohen declared, was for the closed shop.

Originated by Louis D. Brandeis, "the preferential union shop" idea finally prevailed, after an injunction had been issued against the strikers. In addition there was provision for an arbitration board to which all grievances should in future be submitted. And best of all, said Mr. Cohen, was the creation of a joint board of sanitary control. By the operation of this board it is designed that all unsanitary cloak factories shall be cleaned up or exterminated. Behind this board is the combined force of the union and the progressive factory owners.

These terms and the creation of these boards, Mr. Cohen went on, had so united employers and laborers that rabid criticism had been disarmed and is now friendly.

"Co-operation is now the aim," declared the speaker. "It has been a great step in industrial life. Mind you, the trouble is not over. It takes a long time to disabuse the minds of people who have been brought up with the idea that the employer is an enemy, but progress is being made. It should be a great lesson to credit men and to business men the country over."

As evidence of progress in the solution of industrial problems, which the speaker declared of even greater moment than political issues, he instanced the recent surrender by the Diamond Match Company of its monopoly of a chemical process, the want of which in rival factories has been a constant peril to the health and lives of workmen.

"The day is coming when monopoly will be unprofessional," he declared, "when business will mean not the ability and the desire to gouge, but service. The lesson is loyalty and brotherhood."

Questioned as to the work of the sanitary board, Mr. Cohen said it has succeeded in driving out many of the worst sweatshops, but as it has been in operation only since October its greatest utility has not yet been proved. As to the preferential union shop, it has caused considerable friction, he said, but it is coming to be understood that as between men of equal proficiency, the employers prefer the union men. They have contended, he concluded, only against that compulsion which required the employment of inapt union men as against competent non-union workers.

New York.

The New York Credit Men's Association held a very important meeting and dinner March 9th, the principal topic being fire insurance. There were fifteen minute talks by experts, on "Adequate and Reliable

Insurance," "Safeguarding the City of New York," "Scientific Rating in the City of New York," "Adjustment of Fire Losses," and "The 80 per cent. Average Clause and Depreciation."

Among the speakers were: William H. Hotchkiss, State Superintendent of Insurance; F. J. T. Stewart, Superintendent of the Bureau of Surveys of the New York Board of Fire Underwriters; Willis O. Robb, Manager of the New York Fire Insurance Exchange; Allen E. Clough, Secretary of the Committee on Losses and Adjustments of the New York Board of Fire Underwriters.

Norfolk.

At the weekly luncheon of the Norfolk Association of Credit Men, held February 15th, D. Lawrence Groner made an address on the importance of civic pride on the part of all citizens. He declared that no matter how high a man may rise in the commercial world, with his business affairs clamoring for attention, he owes it to his community to take an interest in local affairs and lend a portion of his energy at all times to the end that civic betterments may be cared for.

Oklahoma City.

At the meeting of the Oklahoma City Association of Credit Men, held February 16th, several bills of general interest to credit men now before the legislature were discussed. Especially the bills relating to fire insurance matters came in for attention, and R. M. Campbell, chairman of the Fire Insurance Committee, was asked to prepare a concise letter covering the various items of the bill and submit them to the association, and same, if approved, to be circulated widely among retailers.

Omaha.

At the meeting of the Omaha Association of Credit Men held February 16th, John L. Kennedy spoke on the postal savings bank in the United States, declaring it represents the most important progressive move made by Congress since the civil war. Many people, he said, are against it, but that is because they do not understand the great plan which underlies the system and too many also oppose it through political prejudice. Other speakers were J. De Forest Richards, cashier of the Omaha National Bank, and John Duff, president of the association.

Philadelphia.

The Philadelphia Credit Men's Association arranged its meeting of March 7th so that business interests of the city generally might be present to hear Secretary Wentworth, of the National Fire Protection Association, speak on fire waste subjects. The ballroom of the Bellevue-Stratford Hotel, with a seating capacity of twelve hundred, was engaged, and several thousand invitations were sent to members of all mercantile organizations of the city as well as professional and insurance men. The meeting was a great success.

Pittsburgh.

Under the supervision of the Fire Insurance Committee of the Pittsburgh association a meeting was held February 16th, at which Secretary Wentworth, of the National Fire Protection Association, spoke on fire prevention. Mr. Wentworth showed how brick and stone buildings are ordinarily valueless as fire stops because their



F. Armstrong, Jr. J. W. Corfield L. C. Voss Wm. Meyer D. G. Meener J. E. Porter M. Mansmann Robt. L. Tice E. H. Prugh D. S. Taylor
 C. L. Fairfield H. C. Workmaster
PITTSBURGH CREDIT MEN'S GLEE CLUB WHICH PRESIDENT RAUH PROMISES TO TAKE TO THE MINNEAPOLIS CONVENTION.

windows are of thin glass and the window frames of wood. He said these buildings are logical and capable fire stops and if the fire can be kept out of them—and this can be done by means of wire glass—these buildings become a strategic point at which to call a halt upon the progress of the flames.

Elaborate plans had been made for the Washington's birthday banquet of the Pittsburgh Association of Credit Men held February 22d. In the first place it was decided to make it the association's annual ladies' night and that all business and serious discussion should be abandoned. That it was appreciated was shown by the fact that over 400 members and their friends were present. After a bountiful repast, came monologues, singing and performances by the little German band made up of members of the degree team of the association.

The address of welcome was given by Vice-President G. Brown Hill and all declared it was the masterpiece of an artist. The credit men's glee club had much to do and were recalled again and again.

The monologist was James C. Higgins, and E. S. Rooney gave Irish character stunts, James Baker, J. C. Oldham, Robert L. Tice, William A. Evans and J. A. Jenkins had their little parts to perform.

While the audience was waiting for the last number of the program ten men in original German bandmaster's costumes entered the hall and filed toward the stage. Mounting the steps to the stage, they formed a circle, and facing one another, were apparently in a dilemma. Through the half-English, half-German speech of one of the members of the band his hearers were given to understand that they could not play without a leader.

After this announcement, William Meyer, sitting in the rear of the room, volunteered to lead them. He was accepted, but the music rendered under his direction was nothing but a discord. The real conductor or leader, in the person of L. C. Voss, chairman of the entertainment committee, arrived at this stage of the program, and "America" was played in a most harmonious manner.

Everybody congratulated the entertainment committee when time for adjourning came because of the success of the evening's entertainment.

The March 2d meeting of the Pittsburgh association was addressed by United States Pension Agent Daniel Ashworth on the subject "The Broad Gauge as Applied to Business." During the luncheon hour the newly formed glee club rendered several selections much to the enjoyment of all. President Rauh announced amid great applause that in all probability the Pittsburgh delegation would take with it the entire glee club. The Membership Committee then presented names of fifteen applications for membership in the association.

Captain Ashworth's talk was of Italy, of France, and of tours around the world. He showed how there is a field above that of sordid commercialism, rich and alluring to him whose mind is in quest of the higher ideals of life, and who lifts himself out of the rut and monotony of daily routine.

Rochester.

Secretary Wentworth, of the National Fire Protection Association, was the guest of the Rochester Credit Men's Association and the Roches-

ter Chamber of Commerce at a meeting held February 14th at Powers Hotel. President Trimble, of the former organization, presided. There were nearly two hundred of Rochester's most prominent business men present.

Mr. Wentworth pointed out how difficult the work of his organization is made by reason of the peculiar temperament of the American people, who do not respond readily to admonitions to correct careless habits; but he said our increasing impoverishment, because of the stupendous fire waste, is beginning to impress itself forcibly even upon the most heedless of us.

St. Joseph.

At the monthly noonday luncheon and business meeting of the St. Joseph Credit Men's Association held February 23d, over fifty members were in attendance.

The address of the hour was made by C. B. Edgar, formerly editor of the *St. Joseph News-Press*, his subject being "Canadian Reciprocity as Applied to the Missouri Community."

"Much has been said in opposition to free interchange of trade with Canada," Mr. Edgar said. "This objection comes from those who claim they will suffer as a result of the free list in the proposed treaty. Taken collectively, the United States would derive infinite benefit from a reciprocity pact, and there would be a noticeable decrease in the price of food products here. There would also be deductions in the cost of other articles on which combines are now making nice profits."

St. Louis.

At the February 16th meeting of the St. Louis Association of Credit Men, W. C. Harris, of Fulton, Missouri, former president of the Missouri State Bankers' Association made an address on "Handling Drafts on Customers and the Relation of the Country Banker to the Credit Department." E. M. Grossman, of the St. Louis bar spoke on "The Municipal Courts Bill." F. G. Boyd, secretary of the Building Industries Association, told of a bill now before the Missouri legislature which if passed would practically nullify the mechanics' lien system of the state. It calls for a thirty-six hour notice to owner and contractor by the material man instead of four months. A resolution was offered and unanimously adopted condemning the measure.

St. Paul.

The regular meeting of the St. Paul Association of Credit Men was held February 11th, when Charles E. Elmquist, of the state railroad and warehouse commission, spoke on the "Public Supervision of Railroads," and Price Wickersham, of the St. Paul bar, on the "Proposed Workingmen's Compensation Act." Mr. Wickersham told of the appointment of a commission by the legislature charged with the duty of going searchingly into the question of workingmen's compensation and of embodying their conclusions in a bill to be presented to the legislature. The commission's conclusions were not unanimous, the employing member thereof offering a minority report strenuously opposing the bill offered by the other two commissioners one of whom was a representative of the workingmen and the other one "learned in the law."

Mr. Wickersham showed that the question of workingmen's compensation was of the highest interest to every man engaged in lines of industry in competition with those of neighboring states. He urged against a law too radical, that if there are evils in the present system that are so manifest as to demand correction, they should be attacked, but there should be no leap in the dark or into unexplored fields.

Seattle.

The Seattle Association of Credit Men held its regular meeting February 20th, H. L. Merritt, assistant cashier of the Dexter-Horton National Bank, being the principal speaker. His topic was "Collections Made Through Banks." These collections he divided into three classes:

1. Drafts with bill of lading attached.
2. Drafts against current accounts.
3. Drafts against past due accounts.

He said much friction would be avoided if credit men attached slips to drafts containing full instructions before placing them with the banks for collection.

A committee was appointed to investigate the merits of the measure then before Congress to extend the parcels post system over the country. Also it was voted to increase the number of directors from three to five members.

The meeting heard with much regret the announcement of Mr. Spangler's resignation from the office of president. It was also announced that the executive committee had appointed J. T. Hardeman to fill the unexpired term caused by Mr. Spangler's resignation.

Mr. Hardeman, in a brief speech, stated that he had always felt that he had not sufficient time to spare for the office of president, but from now on, he would do the very best he could and would be faithful and attentive to the duties of his new office, even though his personal business must suffer. He would do it, he said, because it is the "Seattle Spirit."

Syracuse.

At the February 21st meeting of the Syracuse Association of Credit Men, Henry Danziger, of the Syracuse bar, spoke on notable bankruptcy cases with which he had been connected. He declared that contrary to common opinion he had found that men do not go into bankruptcy through deliberate planning, but when one is confronted with bankruptcy conditions then the first law of nature—"self-preservation"—asserts itself and the bankrupt usually tries to find out how far he can go in protecting himself that he may have something upon which to begin anew. So he endeavors to circumvent the law.

"When a man is forced to give up everything to the creditors," said Mr. Danziger, "you can hardly blame him if he tries to save a little for himself, for it takes a long time to build a new business, and in the meanwhile the man must live."

Mr. Danziger said that the average business man who fails is not a crook but a plodder who is trying to earn an honest livelihood.

President Bergman spoke briefly of the proposition for an interchange bureau for Syracuse. He said that he hoped the year would not close until such bureau was in sound working condition among the Syracuse members.

Toledo.

At the February 17th meeting of the Toledo Association of Credit Men, Secretary Wentworth, of the National Fire Protection Association, spoke on ways of solving our problems of high insurance rates. He said whenever we see the other man's property go up in smoke we feel sorry for him and are glad it is not our property which is visited by the avenging fire, little realizing that after all we are coming in for a part of the loss just the same.

Mr. Wentworth said that contrary to the old notion fire prevention is fully as important as fire extinguishment; that if half as much thought were given to the former as to the latter over 50 per cent. of the fires now reported from day to day would never be heard from.

Utica.

The members of the Utica Association of Credit Men were especially privileged in having with them February 2d, John H. Grant, of the local bar, who discussed the bankruptcy law. President Dobson presided, and after a short business session Mr. Grant was presented. He congratulated the credit men of the city in having come together in strong organization and pointed out methods they can pursue to extend their work further to the genuine benefit of the city.

At the outset Mr. Grant declared that the bankruptcy act is one of the most misunderstood of laws, that if a creditor is to derive the benefits to which he is entitled under it he can guard his interests by being alert and active.

The growth of bankruptcy laws was traced in some detail from the days when debt was a crime, or when a creditor would go and take away as much of the stock as he could remove from the debtor's establishment, to the act under which we now operate. It is impossible for the great bulk of men to do business on a cash basis, and so long as credit exists there will be bad debts. Some men are honest; some are not, others are lazy or incapable. All the elements of human nature have their effect on the business structure, and so long as human nature exists some of the faults will be experienced.

Mr. Grant said further that there are at least three ways creditors have of looking at the bankruptcy acts: There are those who have made inquiry to ascertain the provisions of the law and are up-to-date enough to step in and guard their own interests when necessary; those who know nothing about the law and say they dislike it; those who expect too much from it. This class includes, Mr. Grant said, men who think the law is automatic, and they will write a referee asking him to look up a claim, when he is no more expected to do that than a judge would be expected to furnish information about a case.

The talk was illustrated throughout with many apt examples, some of local interest, having been in the experience of the men present. As a general proposition it was urged that the credit men should know the plan and working of both the voluntary and involuntary features of the bankruptcy law. Then they should be ready to get into the first creditors' meeting and press their claim so that they have a fair show. The speaker was heartily applauded. At the end of his address, Mr. Grant answered many questions.

Youngstown.

The February 9th noonday meeting of the Youngstown Association of Credit Men was attended by sixty members who heard two short papers, one by F. E. Hearn, on "Collecting Accounts from the Wholesalers' Standpoint," and the other by Clarence Strouss, on "Collecting Accounts from the Retailers' Standpoint."

A. D. Thomas then made a brief statement of the doings of the meeting of credit men at Columbus, January 27th, convened to discuss proposed legislation for Ohio.

The February 15th noonday meeting of the Youngstown association was addressed by D. L. Rose, on "Fire Insurance," Mr. Rose speaking to his subject from the merchants' viewpoint. President Grant followed telling what interest the banker has in the general subject of adequate insurance for the retailer.

WANTS.

SITUATION WANTED as credit man or assistant in Chicago or vicinity—several years' experience in Chicago handling credits and collections, thorough knowledge of accounting, good education and clean record, age thirty-two Address E. L. S., care Chas. E. Meek, 41 Park Row, New York, N. Y.

WANTED—Young man of thirty, with many years' experience as stenographer in the credit department of a large wholesale house, desires position as assistant in the credit or collection department of a good house, or a position as credit man with a medium-sized concern, where he can take entire charge of the credits and collections. Excellent references. Any firm desiring the services of a reliable, steady and industrious young man in the above capacity, will make no mistake by addressing E. K. E., care Chas. E. Meek, 41 Park Row, New York, N. Y.

WANTED position as credit man or assistant by man aged 30 who has had a number of years experience in handling credits and collections, besides being well versed in commercial as well as bankruptcy laws. Has been connected with a large cigar manufactory in New York and is well known in different trade lines. Will accept proposition within 500 miles of New York City. Address P. E. H., care Chas. E. Meek, 41 Park Row, New York, N. Y.

YOUNG MARRIED MAN, at present assistant manager for a large manufacturing concern selling direct to merchants in ten states, desires similar position with another concern. Has been with his present employer six years, handling all the collections and credits, in fact, has been in charge of the entire office management. Prefers West or Middle West, but will go anywhere if there is a good future. Will give present concern and other satisfactory references. Good reason for wanting to make a change. Address R., care Chas. E. Meek, 41 Park Row, New York, N. Y.

A FIRST-CLASS CREDIT AND OFFICE MANAGER desires to make new connection. Is an accurate accountant and familiar with general and factory cost ledger and cashier's work. Address Faithful, care Chas. E. Meek, 41 Park Row, New York, N. Y.

YOUNG MARRIED MAN, twenty years' experience in bookkeeping and accounting, at present with a large jobbing house in New York as a bookkeeper and credit man, desires to make a new connection. Speaks and writes German fluently. High-class references furnished. Would be willing to start at a moderate salary. Address H. P., care Chas. E. Meek, 41 Park Row, New York, N. Y.

A MERCHANDISE BROKER in Pittsburgh having one line on commission wants one more line. Works Pittsburgh personally and travels a first-class salesman continually throughout Western Pennsylvania. Best of references as to ability and integrity. Address A. B. C. D., care Chas. E. Meek, 41 Park Row, New York, N. Y.

CREDIT MAN AND OFFICE MANAGER, married, age 33, thoroughly familiar with double entry bookkeeping and modern office systems, is looking for a larger opening than his present position affords. Has handled successfully credits and collections for wholesale house for over ten years and is very pleasantly situated, but the business is quite limited, which precludes further advancement. Can furnish very best references as to character and ability. Address G. E. R., care Chas. E. Meek, 41 Park Row, New York, N. Y.

ASSISTANT CREDIT MAN in one of New York city's largest department stores desires to associate himself with the credit department of some progressive house where thirteen years' credit experience will be appreciated. Will furnish credentials from some of New York's foremost credit men. Address Vigilantia, care Chas. E. Meek, 41 Park Row, New York, N. Y.

SUCCESSFUL CREDIT AND COLLECTION MANAGER, possessing executive ability, desires a change that will afford a larger field of labor. Correspondence solicited from any large house in need of a capable man. Middle West or West preferred. Address J. B. O., care Chas. E. Meek, 41 Park Row, New York, N. Y.

WANTED—Young man as assistant credit man in a growing wholesale mercantile business, one capable of taking charge of bookkeeping department in all its details. Address, stating age, experience and salary required, D. S. Y., care Chas. E. Meek, 41 Park Row, New York, N. Y.

CREDIT MAN AND OFFICE MANAGER is open for engagement with high-class concern. Experienced, resourceful, has ability to assume complete control of office details, correspondence and accounts in all departments. Four years' experience in bank credits. Address B. N. H., care Chas. E. Meek, 41 Park Row, New York, N. Y.

WANTED—Collection man, who is thoroughly experienced in handling entire collection department of large manufacturing concern selling their goods to dealers throughout the entire United States on conditional sales contracts, installment payments. Must be thoroughly familiar with conditional sales laws in all states. No application considered unless giving full particulars of experience as above, also former employers, age, and salary expected. Address P. R. N., care Chas. E. Meek, 41 Park Row, New York, N. Y.

EXPERT ACCOUNTANT, AUDITOR AND CREDIT MAN, would consider offer from progressive Detroit factory. Well trained in modern methods of finance and cost accounting by prominent public accountant; highest references as to character and ability; good reasons for desiring change. Six years with present employers as bookkeeper, secretary, treasurer and credit man, handling about 3,000 accounts, previous five years with public accountant as regular assistant in auditing, system work and regular accounting work. Address "Detroit," care Chas. E. Meek, 41 Park Row, New York, N. Y.

CAPABLE AND ENERGETIC CREDIT MAN, with manufacturing and jobbing experience, is desirous of locating with a house that can appreciate sterling integrity and a zealous devotion to its interests. Is 31 years of age, married, of good general education, business training, and ten years' experience as credit man, bookkeeper and office manager. Is graduate in law and capable, through training and experience, to take the initiative in matters requiring good judgment, tact, and a knowledge of collection procedure. Has the qualifications essential to the make-up of a good credit man, and is an ambitious, enterprising and indefatigable worker. The very highest references as to character, training, ability and experience will be furnished. Address A. A. G. D., care Chas. E. Meek, 41 Park Row, New York, N. Y.

WANTED—Married man of fifty with 24 years' experience as office and financial manager and credit man in one of the largest wholesale and retail dry goods houses in the West, is open for engagement. Best of references and reasons for change. Address W. C. W., care Chas. E. Meek, 41 Park Row, New York, N. Y.

WANTED—A connection with some reliable house as credit man or can handle collections and credits as well as entire accounting department. Thor-

oughly up-to-date in modern methods and am strictly a result getter. Reason for change—present firm retiring. Best of references and a successful record of several years with large houses. At present, vice-president of Norfolk branch of National Association of Credit Men. Address, care of Chas. E. Meek, 41 Park Row, New York, N. Y., or write direct to J. N. McBride, Norfolk, Va.

HIGH CLASS CREDIT AND COLLECTION MANAGER, 36 years of age, desires to make a change; several years' experience in accounting including cost accounting, office management, handling credits and collections, and in charge of finances of large manufacturing and wholesale business. Best of references can be given. Satisfactory reasons for wishing to leave present position. Location immaterial. Address D. C. A., care Chas. E. Meek, 41 Park Row, New York, N. Y.

A MAN, with over fifteen years of thorough-going experience in credits, collection, business systematizing, methods and policy, desires to make a change which offers a large field of development in the credit profession. Has been active in credit, business and civic matters of a public nature for years in New York City, and can provide the best of references as to ability, integrity, character and social standing. Address O. P., care Chas. E. Meek, 41 Park Row, New York, N. Y.

DIRECTORY OF STANDING COMMITTEES, 1910-1911

LEGISLATIVE.

Guy P. Miller, Chairman, Bridgeport Brass Co., Bridgeport, Conn.
 R. A. Porter, Goodall, Brown & Co., Birmingham, Ala.
 Bernard Frank, Bernard Frank & Co., Montgomery, Ala.
 T. J. Wright, Berry-Wright Dry Goods Co., Fort Smith, Ark.
 T. J. McCarthy, Fletcher Coffee & Spice Co., Little Rock, Ark.
 E. P. Bosbyshell, E. P. Bosbyshell Co., Los Angeles, Cal.
 G. H. Ballou, G. H. Ballou Co., San Diego, Cal.
 L. Joseph, Wilmerding-Loewe Co., San Francisco, Cal.
 B. W. Osborn, The Millar-Osborn Spice Co., Denver, Colo.
 P. A. Cesana, Pueblo, Colo.
 S. K. Smith, Harlan & Hollingsworth Corp., Wilmington, Del.
 L. F. Valentine, R. P. Andrews Paper Co., Washington, D. C.
 J. D. Holmes, Baker & Holmes Co., Jacksonville, Fla.
 Bolling H. Jones, Atlanta Stove Works, Atlanta, Ga.
 Jacob Gazan, 15 Bay Street, West, Savannah, Ga.
 V. C. Kerr, Kerr Hdw. & Imp. Co., Boise, Idaho.
 Henry Fornoff, Fornoff & Gurney, Chicago, Ill.
 C. E. Ward, Decatur, Ill.
 Frank T. Day, Griffith Brothers, Indianapolis, Ind.
 D. F. Stearns, Frick-Stearns-Russell Co., Cedar Rapids, Iowa.
 H. J. Zeuch, Morton L. Marks Co., Davenport, Iowa.
 J. M. Callander, Tone Brothers, Des Moines, Iowa.
 John B. House, Lehmann-Higginson Gro. Co., Wichita, Kan.
 R. D. Norwood, Curry, Tunis & Norwood, Lexington, Ky.
 Phil Laib, Laib Co., Louisville, Ky.

J. A. Badger, Woodward, Wight Co., Ltd., New Orleans, La.
 Geo. F. Pitt, The Twitchell-Champlin Co., Portland, Me.
 F. J. La Motte, The Rice & Hutchins Balt. Co., Baltimore, Md.
 Wm. M. Morgan, 73 Tremont Street, Boston, Mass.
 Frank R. Hamburger, Hamburger & Silberman, Detroit, Mich.
 Richard J. Prendergast, Lemon & Wheeler Co., Grand Rapids, Mich.
 J. O. Lenning, Wright-Clarkson Merc. Co., Duluth, Minn.
 Fred J. Hopkins, Janney, Semple, Hill & Co., Minneapolis, Minn.
 Norman Fetter, Lindeke, Warner & Sons, St. Paul, Minn.
 H. M. Threefoot, Threefoot Bros. & Co., Meridian, Miss.
 E. L. McClure, Maxwell-McClure-Fitts Dry Goods Co., Kansas City, Mo.
 C. S. Dickey, Wyeth Hdw. & Mfg. Co., St. Joseph, Mo.
 E. S. Murphy, Geo. W. Perry, St. Louis, Mo.
 Chas. E. Beebe, Beebe Grain Co., Butte, Mont.
 J. L. Kennard, Western Glass & Paint Co., Lincoln, Neb.
 F. E. Pearce, Paxton & Gallagher Co., Omaha, Neb.
 Chas. T. Page, Page Belting Co., Concord, N. H.
 Ralph M. Smith, C. B. Smith & Co., Newark, N. J.
 Maurice E. Preisch, Haines Lumber Co., Buffalo, N. Y. (Mailing address, N. Tonawanda, N. Y.).
 George H. Williams, H. A. Caesar & Co., New York, N. Y.
 George G. Ford, Lewis P. Ross, Rochester, N. Y.
 L. G. Ford, Lipe & Walrath Co., Syracuse, N. Y.
 W. I. Taber, Citizens Trust Co., Utica, N. Y.
 J. A. Taylor, Wilmington, N. C.
 R. C. Lewis, Meredith Drug Co., Fargo, N. D.

Max Silberberg, The Feder Silberberg Co., Cincinnati, Ohio.

Harry English, The Starr Piano Co., Cleveland, Ohio.

Chas. B. Cranston, The Livingston Seed Co., Columbus, Ohio.

C. A. Mauk, Barnes & Mauk, Toledo, Ohio.

A. D. Thomas, J. R. Thomas' Sons, Youngstown, Ohio.

Eugene Miller, Kerfoot-Miller & Co., Oklahoma City, Okla.

L. L. Paget, Fleischner, Mayer & Co., Portland, Ore.

J. J. Dean, 50 Cunningham Street, New Castle, Pa.

H. E. Moody, Royal Knitting Mills Co., Philadelphia, Pa.

A. R. Darragh, Haworth & Dewhurst Ltd., Pittsburgh, Pa.

Howard R. Slade, Westcott, Slade & Balcom Co., Providence, R. I.

W. J. McCormack, Etiwan Fertilizer Co., Charleston, S. C.

R. L. Jordan, Central Cigar & Tobacco Co., Memphis, Tenn.

J. L. McWhorter, McWhorter, Hutton & Co., Nashville, Tenn.

Louis Lipsitz, Harris-Lipsitz Co., Dallas, Texas.

Geo. B. Evans, El Paso Sash & Door Co., El Paso, Texas.

R. Y. Prigmore, Monnig Dry Goods Co., Fort Worth, Texas.

John McClellan, John McClellan & Co., Inc., Houston, Texas.

Jesse D. Oppenheimer, D. & A. Oppenheimer, San Antonio, Texas.

P. L. Doran, Symms Utah Grocer Co., Salt Lake City, Utah.

O. L. Hinds, The O. L. Hinds Co., Burlington, Vt.

N. B. Handy, N. B. Handy Co., Lynchburg, Va.

E. R. Barksdale, Barksdale & Co., Norfolk, Va. (Mailing address, Portsmouth, Va.)

John S. Harwood, Harwood Bros., Richmond, Va.

Fred T. Fischer, Fischer Bros., Seattle, Wash.

R. O. McClintock, The McClintock-Trunk Co., Spokane, Wash.

Ralph B. Smith, The Puget Sound Flouring Mills Co., Tacoma, Wash.

L. C. Stephenson, Hutchinson-Stephenson Hat Co., Charleston, W. Va.

H. Max Oberndorfer, David Adler & Sons Clothing Co., Milwaukee, Wis.

Ira E. Jones, First National Bank, Thermopolis, Wyo.

MEMBERSHIP.

H. B. Buell, Chairman, Syracuse Dry Goods Co., Syracuse, N. Y.

C. E. Bull, Woodhull, Goodale & Bull, Syracuse, N. Y.

W. H. Landers, W. H. Landers Co., Syracuse, N. Y.

Wm. C. Handing, Crouse-Hinds Co., Syracuse, N. Y.

E. S. Kellogg, The City Bank, Syracuse, N. Y.

BANKRUPTCY LAW.

Chas. D. Joyce, Chairman, A. Colburn Co., Philadelphia, Pa.

F. G. Salter, Durr Drug Co., Montgomery, Ala.

Harry K. Huntoon, Minnesota Mercantile Co., Stillwater, Minn.

J. Gazzam Mackenzie, The Ames-Bonner Co., Toledo, Ohio.

E. F. Sheffey, Craddock-Terry Co., Lynchburg, Va.

ADJUSTMENT BUREAU.

S. J. Whitlock, Chairman, Belding Bros. & Co., Chicago, Ill.

W. B. Fish, The Prints-Biederman Co., Cleveland, Ohio.

Ernst L. Unke, O. C. Hansen Mfg. Co., Milwaukee, Wis.

Geo. W. Oatley, Utica Knitting Co., Utica, N. Y.

T. H. Sheppard, Arbuthnot-Stephenson Co., Pittsburgh, Pa.

CREDIT DEPARTMENT METHODS.

E. M. Underwood, Chairman, Failing-McCallman Co., Portland, Ore.

L. B. Smith, Fleischner, Mayer & Co., Portland, Ore.

W. J. Henderson, Closset & Devers, Portland, Ore.

H. K. Arnold, Blumauer-Frank Drug Co., Portland, Ore.

J. W. Briscoe, General Electric Co., Portland, Ore.

MERCANTILE AGENCY.

C. C. Robertson, Chairman, Woodward & Tierman Ptg. Co., St. Louis, Mo.

C. W. Hughes, Hoyt Metal Co., St. Louis, Mo.

Wm. H. Grimes, Chattin-Norton Importing Co., St. Louis, Mo.

James McQueeney, Loose-Wiles Biscuit Co., Kansas City, Mo.

E. D. Plummer, Richardson Dry Goods Co., St. Joseph, Mo.

CREDIT CO-OPERATION.

W. B. Cleveland, Chairman, Austin Clothing Co., Memphis, Tenn.

J. R. Paine, White-Wilson-Drew Co., Memphis, Tenn.

Wm. R. King, Wm. R. Moore Dry Goods Co., Memphis, Tenn.

J. H. Scales, Belknap Hardware & Mfg. Co., Louisville, Ky.

W. S. Bowmer, J. M. Robinson, Norton & Co., Inc., Louisville, Ky.

INVESTIGATION AND PROSECUTION.

D. L. Sawyer, Chairman, F. Mayer Boot & Shoe Co., Milwaukee, Wis.

Wm. Crane Andrews, J. Spencer Turner Co., New York, N. Y.

A. C. Foster, The United States National Bank, Denver, Colo.

Edgar Bettmann, Helmers, Bettmann & Co., Cincinnati, Ohio.

A. J. McKay, Wm. C. Robinson & Son Co., Baltimore, Md.

FIRE INSURANCE.

J. Hunter Orr, Chairman, Orr, Jackson & Co., Nashville, Tenn.

B. F. Ezekiel, Loveman, Joseph & Loeb, Birmingham, Ala.

Henry G. Barbee, Harris, Woodson Co., Inc., Norfolk, Va.

T. M. Earl, Nolan-Earl Shoe Co., San Francisco, Cal.

B. F. Scribner, The Franklin Press Co., Pueblo, Colo.

BUSINESS LITERATURE.

F. P. Crane, Chairman, The Whitehead & Hoag Co., Newark, N. J.

Wm. E. Cain, William E. Cain Co., Newark, N. J.

L. A. Kempf, Newark Brass Works, Newark, N. J.

H. E. Littell, R. Gray, Jr., Inc., Newark, N. J.

Irving C. Brown, L. Bamberger & Co., Newark, N. J.

BANKING AND CURRENCY.

J. E. O'Neil, Chairman, Richards & Conover Hdw. Co., Oklahoma City, Okla.

J. H. King, American National Bank, Hartford, Conn.

W. J. Trimble, The Traders National Bank, Rochester, N. Y.

H. E. Smith, The Columbus Merchandise Co., Columbus, Ohio.

L. B. Rogers, D. L. Gore Co., Wilmington, N. C.

Directory of Officers of the Affiliated Branches of the National Association of Credit Men.

- ATLANTA, GA.**—The Credit Men's Association of Atlanta. President, Ralph Rosenbaum, Atlanta Woodenware Co.; Secretary, E. L. Rhodes, Ernest L. Rhodes & Co.
- BALTIMORE, MD.**—The Credit Men's Association of Baltimore. President Harry P. Boyd, National Building Supply Co.; Secretary, S. D. Buck, 100 Hopkins Pl.
- BIRMINGHAM, ALA.**—Birmingham Credit Men's Association. President, H. W. Coffin, Moore-Handley Hdw. Co.; Secretary, H. M. Beck, Beck Candy and Grocery Co.; Assistant Secretary, R. H. Eggleston.
- BOISE, IDAHO.**—The Boise Association of Credit Men, Ltd. President, J. G. H. Graveley, Capital Brokerage and Comm. Co.; Secretary, D. J. A. Dirks, 12-14 I. O. O. F. Temple.
- BOSTON, MASS.**—Boston Credit Men's Association. President, Fred. L. Howard, C. A. Browning & Co.; Secretary, Herbert A. Whiting, 77 Summer St.
- BUFFALO, N. Y.**—Buffalo Credit Men's Association. President, John J. Dolphin, Jacob Dold Packing Co.; Secretary, Wilbur B. Grandison, 78 Erie County Bank Bldg.
- BUTTE, MONT.**—Butte Association of Credit Men. President, Chas. E. Virden, Ryan & Virden Co.; Secretary, R. Frank Casey, Casey Candy Co.; Assistant Secretary, C. E. Alsop, Ind. Tel. Bldg.
- CEDAR RAPIDS, IA.**—Cedar Rapids Association of Credit Men. President, B. R. Day, Cook-Laurence Co.; Secretary, Thos. B. Powell, 702-4 Security Savings Bank Bldg.
- CHARLESTON, W. VA.**—Charleston Association of Credit Men. President, E. A. Barnes, Abney-Barnes Co.; J. W. Higginbotham, Acting Secretary, 74 Bradford Bldg.
- CHICAGO, ILL.**—The Chicago Association of Credit Men. President, R. S. White, American Steel and Wire Co.; Secretary, O. A. Ipsen, 218 La Salle St.
- CINCINNATI, O.**—The Cincinnati Association of Credit Men. President, W. B. Johnston, P. R. Mitchell Co.; Secretary, Henry Bentley, 614 Mercantile Library Bldg.
- CLEVELAND, O.**—Cleveland Association of Credit Men. President, Floyd D. Shook, Adams & Ford Co.; Secretary, H. J. Bruehler, 505 Chamber of Commerce Bldg.
- COLUMBUS, O.**—Columbus Credit Men's Association. President, J. J. Jennings, City National Bank; Secretary, Benson G. Watson, 411-420 The New First National Bank Bldg.
- DALLAS, TEX.**—Dallas Association of Credit Men. President, E. E. Bramlett, Texas Drug Co.; Secretary, Edw. B. Williams, Edw. B. Williams & Co.
- DAVENPORT, IA.**—Davenport Association of Credit Men. President, George W. Noth, Davenport Bag & Paper Co.; Secretary, Isaac Petersberger, 222 Lane Bldg.
- DECATUR, ILL.**—Decatur-Springfield Association of Credit Men. President, A. J. Murray, National Grocer Co.; Secretary, T. A. Stecher, C. E. Ward, Decatur, Ill.
- DENVER, COLO.**—The Denver Credit Men's Association. President, L. P. Downer, Hallack & Howard Lumber Co.; Secretary, Frank McLister, Kohler, McLister Paint Co.; Assistant Secretary, H. A. C. Mathew, 407-408 Sugar Bldg.
- DES MOINES, IA.**—Des Moines Credit Men's Association. President, John Boyt, Walter Boyt Saddlery Co.; Secretary, A. J. Betten, Brown-Camp Hdw. Co.
- DETROIT, MICH.**—Detroit Credit Men's Association. President, Wm. A. Petzold, J. L. Hudson Co.; Secretary, W. S. Campbell, 500 Moffat Bldg.
- DULUTH, MINN.**—Duluth Association of Credit Men. (Duluth-Superior). President, J. O. Lenning, Wright-Clarkson Merc. Co.; Secretary, W. L. Mackay, Stone-Ordean-Wells Co.
- EL PASO, TEX.**—El Paso Association of Credit Men. President, James A. Dick, The James A. Dick Co.; Secretary, H. E. Christie, 30 National City Bank Bldg.
- FARGO, N. D.**—Fargo Association of Credit Men. President, Nelson A. Burdick, Hall-Robertson Hdw. Co.; Secretary, H. L. Loomis, N. S. Mutual Savings and Loan Assn.
- FORT SMITH, ARK.**—Fort Smith Association of Credit Men. President, T. C. Price, W. J. Echols & Co.; Secretary, Ben D. Kimpel, 606 Merchants National Bank Bldg.
- FORT WORTH, TEX.**—Fort Worth Association of Credit Men. President, Wm. James, T. R. James & Son; Secretary, George Q. McGown, Reynolds Bldg.
- GRAND RAPIDS, MICH.**—Grand Rapids Credit Men's Association. President, John Sehler, Brown & Sehler Co.; Secretary, A. K. Tyson, Powers-Tyson Printing Co.
- HOUSTON, TEX.**—Houston Association of Credit Men. President, J. B. Adoue, Adoue-Blaine Hdw. Co.; Secretary, M. R. Robson, Schumacher Grocery Co.
- INDIANAPOLIS, IND.**—Indianapolis Association of Credit Men. President, Aaron Wolfson, Kahn Tailoring Co.; Secretary, C. N. Hawkins, A. P. Hendrickson Hat Co.
- JACKSONVILLE, FLA.**—Jacksonville Credit Men's Association. President, R. V. Covington, Covington Co.; Secretary, J. C. Darby, W. A. Bours & Co.
- KANSAS CITY, MO.**—Kansas City Association of Credit Men. President, James McQueeney, Loose-Wiles Biscuit Co.; Secretary, Frank W. Yale, 315 Dwight Bldg.
- KNOXVILLE, TENN.**—Knoxville Association of Credit Men. President, G. L. Price, Daniel Briscoe Co.; Secretary, H. Wood Gillespie, Shields & Co.
- LEXINGTON, KY.**—Lexington Credit Men's Association. President, Joseph Le Compte, Lexington Roller Mills Co.; Secretary, C. L. Williamson, McClelland Bldg.
- LINCOLN, NEB.**—Lincoln Credit Men's Association. President, J. L. Kennard, Western Glass and Paint Co.; Secretary, E. G. Evans, Henkle & Joyce Hdw. Co.
- LITTLE ROCK, ARK.**—Little Rock Association of Credit Men. President, Max Mayer, Scott-Mayer Commission Co.; Secretary, Frank T. Longley, 219 1/2 Main St.
- LOS ANGELES, CAL.**—Los Angeles Credit Men's Association. President, Warren C. Kennedy, Baker Iron Works; Secretary, W. C. Mushet, 600 Equitable Savings Bank Bldg.
- LOUISVILLE, KY.**—Louisville Credit Men's Association. President, J. A. Mathews, Brinly-Hardy Co.; Secretary, Wm. F. Baumeister, U. S. Trust Co. Bldg.
- LYNCHBURG, VA.**—Lynchburg Credit Men's Association. President, Edward F. Sheffey, Craddock-Terry Co.; Secretary, J. M. Funkhouser, Smith-Briscoe Shoe Co.

MEMPHIS, TENN.—The Memphis Credit Men's Association. President, J. R. Paine, White-Wilson-Drew Co.; Secretary, G. F. Elliott, Business Men's Club Bldg.

MILWAUKEE, WIS.—The Milwaukee Association of Credit Men. President, John L. Klingler, Ellsworth-Thayer Mfg. Co.; Secretary, H. M. Battin, 610 Germania Bldg.

MINNEAPOLIS, MINN.—Minneapolis Association of Credit Men. President, F. E. Holton, Northwestern National Bank; Secretary, M. C. Badger, T. W. Stevenson Co.

MONTGOMERY, ALA.—Montgomery Association of Credit Men. President, Wm. E. Pitts, Levy, Wolff & Pitts Shoe Co.; Secretary, Leo Gassenheimer, Mercantile Paper Company.

NASHVILLE, TENN.—Nashville Credit Men's Association. President, Chas. T. Sullivan, Weatherly, Armistead, McKennie Co.; Secretary, George M. Thomas, 107 Stahlman Bldg.; Assistant Secretary, Charles H. Warwick.

NEWARK, N. J.—Newark Association of Credit Men. President, Curtis R. Burnett, American Oil and Supply Co.; Secretary, J. Fred Braun, J. J. Hockenjos Co.

NEW CASTLE, PA.—New Castle Association of Credit Men. President, S. P. Smith, Smith-Daggett-Kurtz Co.; Secretary, Roy M. Jamison, 509 Greer Block.

NEW ORLEANS, LA.—New Orleans Credit Men's Association. President, George K. Smith, Simonds Mfg. Co., Ltd.; Secretary, T. J. Bartlette, Williams, Richardson & Co., Ltd.

NEW YORK, N. Y.—The New York Credit Men's Association. President, Frank S. Flagg, Powell Bros. Shoe Co.; Secretary, A. H. Alexander, 320 Broadway.

NORFOLK, VA.—Norfolk Association of Credit Men. President, H. G. Barbee, Harris-Woodson Co.; Secretary, C. L. Whichard, Whichard Brothers Co.

OKLAHOMA CITY, OKLA.—Oklahoma City Credit Men's Association. President, O. A. Mitscher, Miller-Mitscher Co.; Secretary, George F. Dean, 1217 Colcord Bldg.

OMAHA, NEB.—The Omaha Association of Credit Men. President, John Duff, Hayward Bros. Shoe Co.; Secretary, E. G. Jones, Credit Clearing House.

PHILADELPHIA, PA.—The Philadelphia Credit Men's Association. President, D. G. Endy, Artman-Treichler Co.; Secretary, S. W. Severson, Room 801, 1011 Chestnut St.

PITTSBURGH, PA.—Pittsburgh Association of Credit Men. President, Enoch Rauh, Rauh Bros. & Co.; Secretary, A. C. Ellis, Renshaw Bldg.; Assistant Secretaries, A. C. Bunce and E. A. Schoolcy, Renshaw Bldg.

PORTLAND, ORE.—Portland Association of Credit Men. President, E. M. Underwood, Failing-McCalman Co.; Secretary, L. B. Smith, Fleischner, Mayer & Co.

PUEBLO, COLO.—Pueblo Association of Credit Men. President, Thos. A. Duke, Henkel-Duke Mercantile Co.; Secretary, H. B. Metcalf, Ridenour-Baker-Bragdon Merc. Co.

RICHMOND, VA.—Richmond Credit Men's Association. President, John S. Harwood, Harwood Bros.; Secretary, Jo. Lane Stern, 1014 Main St.

ROCHESTER, N. Y.—The Rochester Credit Men's Association. President, W. J. Trimble, Traders' National Bank; Secre-

tary, Edward Weter, Yawman & Erbe Mfg. Co.

ST. JOSEPH, MO.—St. Joseph Credit Men's Association. President, J. A. Cattell, Letts-Spencer Groc. Co.; Secretary, E. H. Ott, G. W. Chase & Son Merc. Co.

ST. LOUIS, MO.—The St. Louis Association of Credit Men. President, C. C. Robertson, Woodward & Tiernan Printing Co.; Secretary, A. H. Foote, 600 Security Bldg.

ST. PAUL, MINN.—St. Paul Association of Credit Men. President, H. W. Parker, Merchants' National Bank; Secretary, W. H. Mingaye, T. L. Blood & Co.

SALT LAKE CITY, UTAH.—The Utah Association of Credit Men. President, Arthur Parsons; Secretary, P. L. Doran, Symms Utah Grocer Co.; Assistant Secretary and Manager, Geo. E. Forrester, P. O. Box 886.

SAN ANTONIO, TEX.—San Antonio Association of Credit Men. President, Jake Wolff, J. Oppenheimer & Co.; Secretary, Geo. T. Allensworth, Allensworth Carnahan Co.

SAN DIEGO, CAL.—The Credit Association of San Diego. President, I. L. Leszynsky, Simon Levy Co. Secretary, G. F. Hoff, 403 Union Bldg.

SAN FRANCISCO, CAL.—San Francisco Credit Men's Association. President, Thos. M. Earl, Nolan-Earl Shoe Co.; Secretary, Ben Armer, 499 Monadnock Bldg.

SAVANNAH, GA.—Savannah Credit Men's Association. President, Marvin O'Neil, Meinhard, Schaul & Co.; Secretary, R. B. Young, R. B. Young Company.

SEATTLE, WASH.—Seattle Association of Credit Men. President, J. T. Hardeman, J. T. Hardeman Hat Co.; Secretary, F. J. Speckert, Western Hardware and Metal Co.

SELMA, ALA.—Selma Association of Credit Men. President, J. E. Axford, C. W. Hooper & Co.; Secretary, F. N. Scott, Seigle, Seigle & Cothran.

SPOKANE, WASH.—Spokane Merchants' Association. President, R. C. Dillingham, Jones & Dillingham Co.; Secretary, J. B. Campbell, 610 Empire State Bldg.

SYRACUSE, N. Y.—Syracuse Association of Credit Men. President, L. John Bergman, 109 South Lowell Ave.; Secretary, R. B. Roantree, Benedict Mfg. Co., East Syracuse.

TACOMA, WASH.—Tacoma Association of Credit Men. President, E. R. Rogers, The Rogers Co.; Secretary, J. D. Benner, Bank of California Bldg.

TOLEDO, O.—Toledo Association of Credit Men. President, C. F. Weiler, Perfection Shirt Waist Co.; Secretary, Lewis B. Hall, 1226 Nicholas Bldg.

UTICA, N. Y.—Utica Association of Credit Men. President, A. H. Dobson, Charles Millar & Son Co.; Secretary, I. C. Fuller, care Charles Millar & Son Co.

WICHITA, KAN.—Wichita Credit Men's Association. President, Guy Truex, Morton-Simmons Hdw. Co.; Secretary, Willis Davis, Southwestern Drug Co.

WILMINGTON, N. C.—Wilmington Association of Credit Men. President, L. B. Rogers, D. L. Gore Co.; Secretary, L. E. Hall, Hall & Pearsall, Inc.

YOUNGSTOWN, O.—Youngstown Association of Credit Men. President, H. W. Grant, Youngstown Savings & Banking Co.; Secretary, W. C. McKain, 607 Stambaugh Bldg.

Directory of Adjustment Bureaus.

Bureaus for the adjustment of insolvent estates are operated in the following cities, under the authority and supervision of their local Associations of Credit Men. All are affiliated branches of the National Association of Credit Men. Address all communications on Adjustment Bureau matters to the parties named:

- ATLANTA, GA.—Geo. H. Boynton, 1113 Century Bldg.
BALTIMORE, MD.—S. D. Buck, 100 Hopkins Place.
BOISE, IDAHO—Chas. P. McCarthy, Room 1, Pioneer Building.
BUFFALO, N. Y.—Wilbur B. Grandison, 78 Erie County Bank Building.
BUTTE, MONT.—C. E. Alsop, Independent Telephone Building.
CEDAR RAPIDS, IOWA—Thomas B. Powell, 702-4 Security Savings Bank Building.
CHICAGO, ILL.—M. C. Rasmussen, Mgr., 218 La Salle Street.
CINCINNATI, OHIO—Henry Bentley, 614 Mercantile Library Building.
CLEVELAND, OHIO—Frank B. Bicknell, 505 Chamber of Commerce Building.
COLUMBUS, OHIO—B. G. Watson, 411-420 The New First National Bank Bldg.
DALLAS, TEXAS—Edw. B. Williams, Edw. B. Williams & Co.
DENVER, COLO.—C. N. Kinney, 409 Sugar Building.
DES MOINES, IOWA—A. W. Brett, 708 Youngeman Building.
DULUTH, MINN.—N. S. Marshall, Duluth Jobbers' Credit Association.
FORT SMITH, ARK.—Ben. D. Kimpel, 606 Merchants National Bank Building.
FORT WORTH, TEXAS—Geo. Q. McGown, Reynolds Building.
GRAND RAPIDS, MICH.—R. J. Cleland, 201 Board of Trade Bldg.
INDIANAPOLIS, IND.—Indianapolis Credit Men's Adjustment Bureau, Commercial Building.
KANSAS CITY, MO.—Frank W. Yale, 315 Dwight Building.
LEXINGTON, KY.—C. L. Williamson, 726 McClelland Building.
LOS ANGELES, CAL.—F. C. De Lano, 600 Equitable Savings Bank Building.
LOUISVILLE, KY.—Wm. F. Baumeister, United States Trust Co. Building.
MEMPHIS, TENN.—Memphis Credit Men's Adjustment Bureau, Business Men's Club Building, 79-81 Monroe Avenue.
MILWAUKEE, WIS.—S. Fred. Wetzler, 500-501 Free Press Building.
MINNEAPOLIS, MINN.—J. P. Galbraith, 501-8 Endicott Bldg., St. Paul, Minn.
NEWARK, N. J.—Harry V. Osborne, 164 Market Street.
NEW CASTLE, PA.—Roy M. Jamison, 509 Greer Block.
NEW ORLEANS, LA.—W. C. Lovejoy, 607-609 Canal, La. Bank Building.
NORFOLK, VA.—G. Sellman Williams, 211-212 Monticello Arcade Bldg.
PHILADELPHIA, PA.—Edmund S. Mills, Room 801, 1011 Chestnut Street.
PITTSBURGH, PA.—A. C. Ellis, Renshaw Building.
PORTLAND, ORE.—R. L. Sabin, Merchants' Protective Association, 7 First Street.
PUEBLO, COLO.—E. C. Abel, 501 Court Street.
RICHMOND, VA.—Geo. B. Wilson, 1113 East Main Street.
ST. LOUIS, MO.—A. H. Foote, 600 Security Building.
ST. PAUL, MINN.—J. P. Galbraith, 501-8 Endicott Building.
SALT LAKE CITY, UTAH—Walter Wright, P. O. Box 419.
SAN DIEGO, CAL.—G. F. Hoff, 403-4 Union Building.
SAN FRANCISCO, CAL.—Ben Armer, 499 Monadnock Building.
SEATTLE, WASH.—I. H. Jennings, 802-805 Central Building.
SPOKANE, WASH.—J. B. Campbell, 1106-8 Old National Bank Building.
TACOMA, WASH.—J. D. Benner, 303-305 Bank of California Building.
WICHITA, KAN.—Willis Davis, Southwestern Drug Co.
YOUNGSTOWN, OHIO—W. C. McKain, 607 Stambaugh Building.